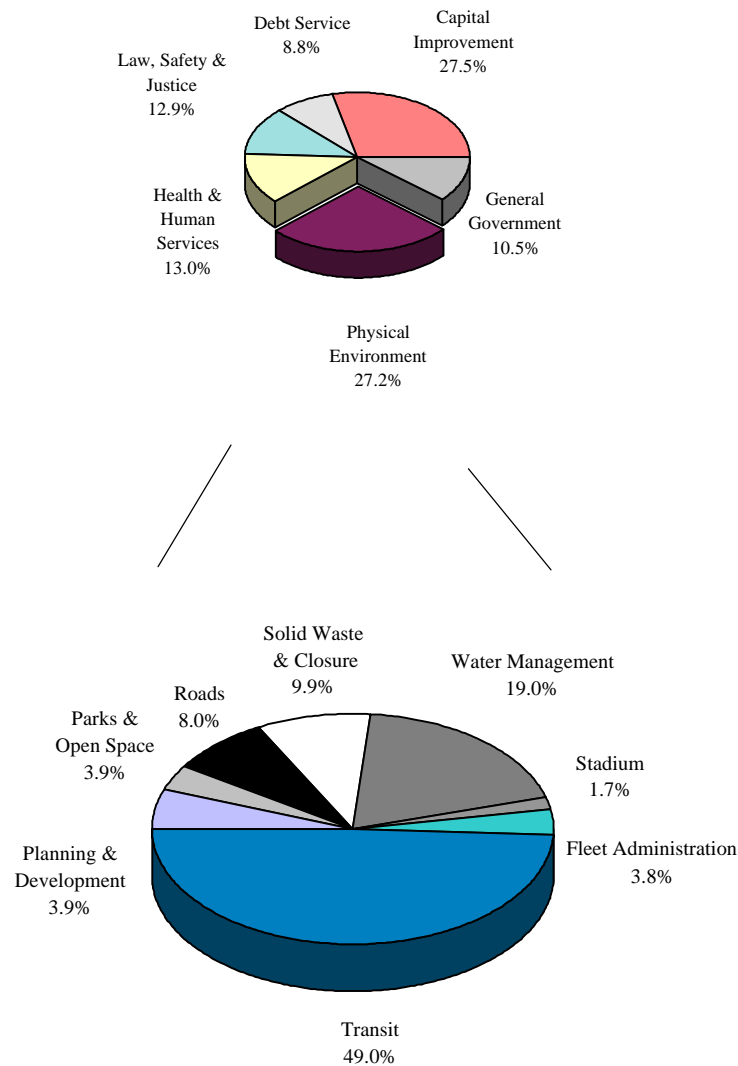


Physical Environment \$721 Million



Footnote: The following groups are comprise of these agencies:

Planning & Development: DDES, DNR Admin., and Transportation Planning.

Fleet Administration: Motor Pool Equip Rental, Equipment Repair & Replacement, PERF, Transportation Admin., Transit CIP Transfer

Parks & Open Space: Parks, Agriculture & Resources, Open Space, Parks/CJ, Youth Sports Facilities, Noxious Weed Fund.

Roads: Roads, Stormwater Decant, and Bridge Replacement

Solid Waste & Closure: Solid Waste, Marketing Commission, Post-Closure Landfill Maintenance.

Water Management: Intercounty River Improvement, River Improvement, Water & Land Resources (SWM), Wastewater Treatment, and Water Quality CIP.

Transit: Transit and Vehicle Replacement

Stadium

Source: Program Plan Summary Page (Found at the end of the section).

PROGRAM EXPLANATIONS

INTRODUCTION

The Physical Environment Program supports all services related to building and land use permitting, community and regional parks, various recreational programs, solid waste disposal, surface water management, waste water control, roads, transit operations and the Kingdome. These services are delivered by the Departments of Development and Environmental Services, Parks and Recreation, Natural Resources, Transportation and Stadium Administration. They are all dedicated to enhancing the quality of life and economic vitality of the Puget Sound region. Below is a summary of each department and their budget highlights.

Following the departmental highlights are other themes and issues that define the 1999 budget. One of the largest issues facing our region and the County departments in the Physical Environment Program is the response to the possible listing of the Chinook salmon as threatened, under the federal Endangered Species Act (ESA).

The proposed listing of the Puget Sound Chinook salmon will affect the Departments of Natural Resources, Development and Environment Services, and Transportation, as well as the Offices of Regional Policy and Planning Budget, and the Prosecuting Attorney.

The Department of Development and Environmental Services: The Department of Development and Environmental Services (DDES) is proposing to undergo a fee restructuring in 1999. Current fees, set years ago, do not reflect the costs of services. Many fees do not recover costs, while many others exceed the cost of production. The mix of products is unpredictable from one year to the next. The mix of products and the unpredictability has resulted in unstable financial performance and a fund that is in a deficit position. This fee restructuring proposal will revamp the current system so that all fees will recover costs of services performed, and put the fund on the road to financial health.

The Department has a lengthy history of financial instability. In 1991, Arthur Anderson released a report recommending that DDES should analyze its fees and financial plan. In 1993, DDES released the first in a series of studies of its fee structure. The studies concluded that a leading cause of the department's financial instability was due to the fee structure. The instability in the fee structure has resulted in unpredictable financial performance of the Department, making sound financial planning difficult. The current state of the DDES Fund exacerbates this situation. When the Fund was created in 1983, it was underfunded and on a cash basis. There was no cost accounting of what the fees should have been. As a result, the Department recognized a deficit in the late 1980s and participated in heavy borrowing in 1990 through 1992. Although the Department has risen from a fund deficit of \$20 million to the current \$2.5 million, progress has ceased in retiring the deficit.

This fee restructuring proposal is long overdue and will bring financial health to the fund. Despite the specific recommendations and clear admonitions that King County keep pace with costs, no action has occurred. This fee restructuring proposal represents the move needed to take fiscal responsibility.

Please see the report from DDES entitled, "Permit Fee - Cost Study," for further details.

The Department of Parks and Recreation is primarily funded from the Current Expense Fund and competes with the County's mandatory and regional programs, such as criminal justice functions, for these limited resources. In response to this competition for funds, the Department seeks out partnerships with other entities to maximize recreational opportunities. King County's park system continues to grow, and almost \$400,000 is proposed in this budget to maintain acreage and facilities added to the

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system. Parks continues to implement its adopted Park, Recreation, and Open Space Plan by focusing on programs that will benefit the region. Parks programs and facilities are also affected by annexations and incorporations. The Department actively works with these areas to transition to them the park facilities and programs located within their borders.

The Department of Natural Resources (DNR) is made up of various divisions and sections which provide services related to water quality, solid waste disposal, and environmental protection. See individual sections that follow.

DNR - Water and Land Resources Division (WLRD) continues its efforts to facilitate an integrated approach to water and land resources management. One of the largest issues facing the division this year is responding to the proposed listing of the Chinook salmon under the Endangered Species Act. (Please see discussion below.) This division includes the Surface Water Management function, the Rivers Program, and the Agriculture and Resource Lands section. In 1999, the Office of Open Space, which was originally created as part of the 1989 Open Space Bond Program, is merged with the Agriculture and Resource Lands Section, providing the acquisition function for resource and park lands.

DNR - Wastewater Treatment Division (WTD) had the rate of \$19.10 per month adopted in 1998 with the policy intent of keeping this rate stable through 1999. In 1999, WTD proposes to focus on the regional wastewater services plan (RWSP), which includes the development of a Habitat Conservation Plan (HCP) in response to the proposed listing of Chinook salmon as threatened under the Endangered Species Act (ESA). Solids handling processes at the West Point Treatment plant have been modified since WTD took over the dryer operations from PCL/SMI. The revised processes include the continued use of the High Solids Centrifuges and the use of larger trucks to haul the resulting biosolids material. Due primarily to these two process revisions/efficiencies, West Point has been able to meet the settlement conditions without the use of the dryers.

DNR - The Solid Waste Division will implement the second phase of the 1997 through 2000 Solid Waste four-year rate. The four-year rate compares favorably to neighboring solid waste jurisdictions and promotes rate stabilization. Solid Waste is currently undergoing a programmatic review which will ultimately determine the future direction of the County's solid waste disposal; whether the County will continue to use its own facilities or undergo waste export.

DNR - The Solid Waste Marketing Commission was created because elected officials were concerned that government requirements to divert recyclable materials from the solid waste disposal stream needed to be supported by government efforts to help enhance markets for recyclable materials, and in particular, to promote products manufactured from recycled materials. The Marketing Commission has spent 1998 continuing to support established programs and implementing new resource conservation and public agency programs. The Commission is proposing new programs for 1999 that support the Smart Growth Initiative and other countywide environmental goals and resource conservation efforts.

The Department of Transportation (DOT) is made up of various divisions and sections which provide services related to transportation planning, community outreach on transportation issues, public transit, road construction and maintenance, and fleet management. See individual sections that follow.

DOT - The Community and Administrative Services Division, formerly called Transportation Administration, provides leadership, advocacy and support for the Department, its customers and the community. The division continues in 1999 to provide services to the external community as well as support services to the Department.

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DOT - The Transit Division continues to implement bus, vanpool, and special transit services for elderly and/or disabled riders. The 1999 service plan includes the annualization of 98,000 hours of 1998 service additions, implementation of the final 48,000 annual hours of the Transit Six-Year Plan service, and the addition of approximately 22,000 hours for Congestion Mitigation and Air Quality (CMAQ) and partnership funded shuttles in 1999. Vanpool and special transit services are also planned to increase in 1999 due to increased demand. Transit will continue to work in 1999 with Sound Transit to integrate and prepare for implementation of rail and bus services in 1999 and beyond. Transit's 1999 budget proposal supports the Executive's Smart Growth Initiative through continued implementation of the Commute Trip Reduction Act, the Transit First Initiative, and capital support for Transit Oriented Development. Recent rapid growth in transit service and resulting ridership gains have strained Transit's customer services and support operations. The Proposed 1999 budget also addresses the resulting needs and focuses on enhancing service provision.

DOT - The Transportation Planning Division continues to work with communities to develop solutions to regional mobility problems that also encourage economic development, protect the environment and enhance the quality of life. The Division continues to provide comprehensive and coordinated planning services and support to the Department. Two major projects in this Division include modifying the Transportation Concurrency Program and leading the effort on establishing a Regional Arterial Network.

DOT - The Roads Services Division continues efforts to increase mobility through arterial networks, bridge rehabilitation and corridor system improvements. One of the largest issues in 1999 is implementing the Best Management Practices in response to the Endangered Species Act and the Sensitive Areas Ordinance. Another initiative in this Division is Flexible Response Budgeting in the capital program. Please see the separate 1999 Capital Improvement Program document for more information.

DOT - The Fleet Administrative Division. In late 1998, two additional internal service funds have been proposed: the Transit Non-Revenue Equipment Repair & Revolving fund and the Wastewater Treatment Equipment Repair & Revolving fund. These new funds complete the step consolidating King County's fleet under one agency, a goal of the merger between King County and Metro.

Stadium Administration's 1999 budget anticipates the phase-out of Stadium operations with the end of the 1999 Seahawk's football season. The Mariners are scheduled to begin play at Safeco Field following Baseball's All-Star break on July 14th, marking the end of Major League baseball play in the Kingdome. During the first half of 1999, the Kingdome will continue to host a full calendar of events. In the second half of 1999 and following the Mariners' departure, Seahawk's football will be the primary event-focus. As a result of the reduced event schedule in the second half of 1999, Kingdome revenues will be down \$2.8 million from 1998. With the exception of the Logan/Knox settlement payout, operating expenditures in 1999 will be down from 1998 levels by \$2.7 million. The 1999 Kingdome Adopted Budget transfers \$1.491 million to the Current Expense fund, resulting in a Stadium ending fund balance, sufficient to cover estimated employee transition and Stadium "closure" expenditures in early 2000.

On the capital side, similar to the 1998 budget, critical health, safety and maintenance needs are being funded through existing CIP carryover. Please see the separate 1999 Capital Improvement Program document for more information.

PROGRAM THEMES

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The Physical Environment Section has two major themes for 1999. They are Smart Growth and the Endangered Species Act Initiative.

SMART GROWTH

The Smart Growth Initiative aims to manage growth today and into the next century. The initiative encompasses transportation, livable communities, protecting the environment and the rural legacy. They represent the Executive's focus on innovative programs that utilize existing resources to retain King County's quality of life while addressing growth-related impacts.

Transportation:

In order to link transportation with growth, the Roads Services Division will continue its implementation of Flexible Response Budgeting. A flexible budgeting approach allows dollars to move to the most critical projects, and is proposed as part of the Roads Services Division capital program. Included for funding in 1999 are: widening and improving 228th Avenue SE/NE on the Sammamish Plateau for approximately \$17 million; widening and improving Avondale Road, including a crosswalk signal at Cottage Lake Elementary School, for \$2.6 million; replacing Novelty Bridge for \$8.8 million and preparing environmental studies for construction of a new road linking the Sammamish Plateau access road south link to the Issaquah-Fall City Road at \$3.8 million. Please see the separate 1999 Capital Improvement Program document for more information.

The concurrency program in the Transportation Planning Division is undergoing modifications. Proposed actions include monitoring congestion on more corridors as part of this concurrency test, linking the completion of roads projects more directly to development, including information about major intersections in concurrency test studies and giving greater priority to transportation projects needed for concurrency. The Transportation Planning Division of the Department of Transportation is leading this effort.

The Regional Arterial Network proposal aims to improve traffic flow. Because traffic jams do not stop at city or county lines, an interjurisdictional team is working to resolve congestion-related issues, such as regional mobility and funding. The system will be a focal point for effective road and rapid transit improvements designed to move people and goods safely and efficiently between communities. This process is being led by the County's transportation planning division in conjunction with other jurisdictions and agencies.

Protecting Our Environment:

Protecting and Restoring Our Salmon: A major tri-country planning process is underway in response to the proposed listing of Chinook salmon as a threatened species. Please see separate discussion below.

Rural Legacy:

In 1999 the Transfer of Development Rights program is proposed. The Council recently approved the Executive's initiative to deal with density and sprawl by preserving rural forest and habitat areas and helping to focus new growth in urban areas. In 1999, the Executive is proposing a "bank," funded at a proposed level of \$1.5 million for 1999 that will "purchase" development credits from sending sites and "resell" them to receiving sites. An additional \$500,000 in transit funds is included to offer certain amenities, such as pedestrian facilities, bike lanes and bus shelters, to urban areas like the City of Seattle for "receiving" density credits. Please see the separate 1999 Capital Improvement Program document for more information.

Livable Communities:

To facilitate growth management planning, King County will undertake a major revision to its compre-

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hensive plan for the first time since the plan's adoption in 1994. The goal for the revisions in 2000 is to make sure that the plan removes barriers to making growth management work in King County; improves usability of the plan; eliminates inconsistencies and improves public understanding on growth management issues. The plan will also address several critical issues, including King County's changing role as a regional government with significant responsibilities as a local service provider; the need to effectively integrate land use and transportation planning and the protection of Chinook salmon in accordance with the Endangered Species Act.

Transit is proposing to continue its Transit Oriented Development program. This program seeks to encourage better use of existing urban lands and mixed use development, including housing, near transit hubs. Projects begun in 1998 include proposals in Redmond's Overlake area, Seattle's Northgate area and Renton's downtown, with 10 additional projects proposed for 1999 at a level of almost \$1 million.

To enhance the quality of life in our communities, the Department of Parks and Recreation will complete projects as part of the Executive's 101 Ballfields initiative, including the South County Ballfield project at \$1.2 million and the Preston Athletic Fields at \$500,000. Other projects proposed include the Cottage Lake pavilion, play areas and tennis courts for \$460,000, and the East Lake Sammamish Trail development planning for \$1.1 million. Please see the separate 1999 Capital Improvement Program document for more information.

1999 ENDANGERED SPECIES ACT INITIATIVE

Background:

On February 26, 1998, the National Marine Fisheries Service (NMFS) proposed listing the Puget Sound Chinook salmon for protection under the Federal Endangered Species Act (ESA), along with more than a dozen other salmon and steelhead fisheries in Washington, Oregon and California. A final NMFS decision on the nature of the listing of these salmonid populations will be made in early 1999. Under the Endangered Species Act, a species likely to become extinct in the foreseeable future is categorized by NMFS as endangered; one likely to become endangered is categorized as threatened.

According to NMFS, factors affecting the health of salmonids typically include dam construction and operation, excessive harvesting, certain hatchery practices, and land use and water development projects which degrade habitat or water and river conditions key to salmon survival.

Once a species has been listed, the ESA prohibits any taking, possession or sale of that species. The ESA listing process includes the designation of critical habitat and requires the development and implementation of recovery plans. Voluntary Conservation Agreements or Habitat Conservation Plans designed to help protect and conserve species that are listed as endangered or threatened can be made between NMFS and other federal or state agencies, local governments, Native American tribes, private landowners and members of the corporate sector. These science based agreements identify specific actions and responsibilities to be implemented among the involved parties to address the factors of decline of a listed species.

King County is a leader in the region, providing a flexible response to the variety of issues and tasks emerging from the ESA listing proposal. On September 14, 1998, the County Council adopted a supplemental appropriation ordinance providing resources to the various County agencies to begin responding to the proposed listing. The 1998 workplan built the policy, legal, technical, and community based foundation for long-term salmon recovery while also including implementation programs for immediate response to salmon needs for a healthier environment. Activities and tasks were organized under four program tracks: 1) Program Planning, Coordination and Project Management, 2) Public Outreach, 3) Technical Program, and 4) Implementation.

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The 1999 ESA Initiative proposes to carry on the work begun in 1998. Resources again are categorized into the four program tracks. These tracks are summarized as follows:

Program Track #1 – Program Planning Coordination and Project Management:

The work program for 1998 for this track included establishing an ESA Coordination Office, taking the first steps in planning by Water Resource Inventory Areas (WRIA), and beginning negotiations on several contracts for convening the Tri-County assemblies and committees. King, Snohomish and Pierce Counties have begun this Tri-County effort with the goal of developing a consistent, regional response to the proposed listing. Work began in 1998 on taking inventories of County policies, plans and regulations. Staff have begun to coordinate the Tri-County effort and the King County committees and work groups, and have begun working closely with Federal and State agencies and Tribal governments. Key deliverables that will carry forward into 1999 include legal issue papers, a Memorandum of Understanding (MOU) for a regional approach and cost-sharing, Water Resource Inventory Area (WRIA) based organization for assessments and implementation, and an internal communication network.

In 1999, the ESA Coordination Office will serve as a vital link between internal King County agencies and regional partners. The Office will review policy issues and make recommendations to the Executive's Cabinet. The Water and Land Resources Division of DNR will focus on the WRIA work. In 1999, WRIA work will develop the ESA roles and responsibilities of the WRIA forums and the conservation plans for WRIs 7 (Green) and 8 (Cedar/Sammamish). The WRIA 7 and 8 Conservation Plans will be developed in coordination with the State, Federal, and Tribal planning efforts as well as other WRIA efforts. The Puget Sound Forum will emphasize the cross-WRIA salt-water issues. Key 1999 deliverables include the Draft WRIA 7 and 8 plans.

For further details, please see the budget detail of the Departments of Natural Resources, Transportation, Development and Environmental Services, the Executive Office and the Office of Regional Planning and Policy.

Program track #2 – Public Outreach:

The 1998 public outreach program focused on developing a regional plan for public outreach and involvement. Deliverables include materials (brochures, newsletters, papers and packets), field trips, workshops and conferences for education.

In 1999, the county-wide public outreach program will continue and expand the initial focus. Taking the approaches begun in 1998, the outreach effort will deliver the message to the public using a variety of approaches, such as meetings, speakers, and outreach to the schools. The media will be used as partners and disseminators of King County's messages, oriented to family activities and major events that attract all our key audiences. The objective is to use what was created in 1998 to engage and invest the public in the strategies that emerge as the best way to protect and restore the salmon -- whether it is through enforcement, habitat acquisition or scientific activities -- to reach our goal of an informed and supportive public.

The Department of Natural Resources 1999 Public Outreach work program will address the Wastewater Habitat Conservation Plan (HCP) and WRIA outreach and involvement needs. Education and outreach will continue the Speakers Bureau and Ambassador programs established in 1998. Information will be refined to address more specific audiences within the WRIs. There will be increased opportunities for community involvement in the sharing of technical information, policy discussion, or restoration projects.

For further details, please see the budget detail of the Departments of Natural Resources, Transporta-

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tion, Development and Environmental Services, the Executive Office and the Office of Regional Planning and Policy.

Program track #3 – Technical Program:

Scientific research and analysis constitute the Technical Program Track. The 1998 work program focused on gathering initial inventories of factors affecting salmon by WRIA, as well as embarking on an analysis to construct the HCP framework. Information gathering focused on establishing a base line for fish habitat, including riverine, estuarine and marine habitat. Technical work groups are specialized to focus on water quality and water quantity, forestry practices and drainage regulations. The Roads Division of the Department of Transportation embarked upon creating a body of baseline science in order to prioritize maintenance and capital activities, and assess the effectiveness of environmental best management practices. Key deliverables that will carry forward into 1999 include the HCP framework, summary papers, and enhancing the GIS database to provide for efficient analysis and monitoring of fish habitat.

In 1999, the Department of Natural Resources will continue scientific studies and analysis on fish habitat and populations, water quality and water quantity. These studies will be used for both the WRIA conservation plans and the Wastewater HCP. The scientific analysis will provide the basis for implementation recommendations and will refine monitoring programs to better address ESA needs.

For further details, please see the budget detail of the Departments of Natural Resources, Transportation, Development and Environmental Services, the Executive Office and the Office of Regional Planning and Policy.

Program track #4 –Implementation:

In 1998, this program track enhanced King County's current environmental programs by adding resources to code enforcement, permit review and training for road maintenance crews. Enhanced permit review, inspections, and enforcement were included in 1998 to provide oversight and monitoring of construction activities. Model rehabilitation of streams in agricultural areas began in 1998. The Federal Links project began developing criteria for screening projects for the National Marine Fisheries Service (NMFS) conferences.

The 1999 work program for DNR proposes to modify the Federal Links project to address screening all county projects for their potential to jeopardize Chinook salmon. The Federal Links project will be coordinated with early action projects, such as Jobs for the Environment, and acquisition projects to provide a ecosystem approach to WRIA actions.

DDES proposes as part of their 1999 budget to continue the eight new positions (at a cost of \$663,000) approved in the 1998 ESA Supplemental for enhanced enforcement, inspection, and review of development projects that have the potential of threatening Chinook habitat. Extra emphasis will be placed on preventing erosion and sediment from leaving construction sites. These positions are funded from fees charged on related functions. The fees approved as part of the 1998 supplemental have been incorporated into the overall fee restructuring proposal for the department.

In 1999, Roads Maintenance proposes to implement environmental Best Management Practices (BMPs) on a countywide basis, resulting in improved water quality and habitat in all streams and wetlands in the County. Roads Maintenance staff have completed extensive research in BMPs, and have learned new methods and discovered new technologies which will minimize erosion and sedimentation, and will provide for enhanced streambed and riparian habitat. Implementing the BMPs on a countywide basis would result in immediate habitat improvements, which would in turn improve chances for survival of the threatened and endangered species.

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One of the recent ESA activities in King County involved a review of all County projects by a Biological Panel (a panel of biologists and other experts) to determine whether or not specific County projects or activities jeopardize Chinook salmon. The Panel concluded that road maintenance projects might not individually jeopardize threatened salmonids, but that road maintenance work does have a cumulative effect, which constitutes jeopardy. The purpose of implementing the BMPs is to minimize or eliminate this cumulative adverse impact.

While the proposed BMPs do meet requirements of other environmental regulations and permits, there can be no doubt that BMPs for roadway maintenance will be required under the ESA. A key component of any Habitat Conservation Plan (HCP) developed to respond the ESA listing will be BMPs for roadway maintenance activities.

Roads is also responding to the ESA through its capital program. The Division is in the process of identifying more specifically the capital improvement projects for 1999 that will be impacted by ESA. It is clear that construction in the watersheds, and particularly construction and repair of bridges and culverts over and/or within salmon-bearing streams, will need to comply with the requirements imposed by NMFS. Roads anticipates that many of the requirements will be project specific. The unique characteristics and location of a specific site and its environmental conditions will also be used to determine site specific requirements. Because so little is known of what will be required by NMFS in the way of changes in design and construction practices or mitigation requirements, there still is uncertainty about the exact fiscal impact of the ESA on the Roads CIP program. Included in Roads proposed 1999 CIP budget is an ESA contingency project. The intent of this project is to separate the cost of complying with ESA from the standard project costs. Please see the separate 1999 Capital Improvement Program document for more information.

For further details, please see the budget detail of the Departments of Natural Resources, Transportation, Development and Environmental Services, the Executive Office and the Office of Regional Planning and Policy.

DEVELOPMENT AND

ENVIRONMENTAL SERVICES

Mission

Development and Environmental Services

To provide the highest quality and helpful service to the people of King County by equitably enforcing laws governing building construction, development and environmental protection.

ISSUES AND PRIORITIES

The 1999 Department of Development and Environmental Services' (DDES) budget includes a fee restructuring proposal aimed at improving the long-run fiscal health of the Department's fund. By implementing a full-cost-recovery fee system, DDES will be less vulnerable to shifts in future permitting activity. Although permitting activity in 1998 remains high, deteriorating economic conditions and

increases in annexations and incorporations could significantly reduce the Department's workload. Reductions in the Department's general fund contribution for certain functions are nearly offset by additional funding for new Department mandates for 1999. Activities which were previously CX-backed will, for the most part, be funded through fee receipts or other revenue sources for 1999. In accordance with the fiscal policy adopted in 1997, DDES's budget also includes contingent expenditure authority to address unanticipated levels of permit activity.

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Expense Summary for DDES		FTEs*
1998 Adopted Budget	\$ 27,763,488	309.00
Base Increment**	(1,389,939)	(22.50)
Adjusted Base	26,373,549	286.50
Significant Program Additions		
<i>CX Adds</i>		
Code Enforcement - Livestock Monitoring	82,515	1.00
Comprehensive Plan Update/Implementation	197,749	3.00
<i>Revenue-Backed Adds</i>		
ESA/Early Implementation	663,285	8.00
Fire Marshal Life & Safety Inspections	876,670	11.00
Land Use Inspection Enhancement	325,288	4.00
Staffing Adjustments for Volume	1,896,576	13.50
Code Enforcement Addback	63,609	1.00
State DOT, SWM and Roads Contracts	214,840	3.50
E-911 Address Corrections and Inspections	106,393	1.50
Private Contracts	553,861	8.00
Support to City of Kenmore	444,971	6.50
Technical Adjustments***	(463,238)	(0.50)
Subtotal	31,336,068	347.00
Remove 1998 Contingency Reserve	(2,700,135)	(27.00)
Add 1999 Contingency Reserve	2,918,604	27.00
1999 Executive Proposed	31,554,537	347.00

* FTEs do not include extra help, overtime nor term limited positions.

** This includes revised 1998 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

*** This includes salary and benefit adjustments, volume increases, inflation, central rates adjustments, and annualization of 1998 supplementals.

PROGRAM HIGHLIGHTS

DDES in 1999 continues its implementation activity in response to the ESA. DDES proposes as part of their 1999 budget to continue the eight new positions (at a cost of \$663,000) approved in the 1998 ESA Supplemental for enhanced enforcement, inspection, and review of development projects that have the potential of threatening Chinook habitat. Extra emphasis will be placed on preventing erosion and sediment from leaving construction sites. These positions are funded from fees charged on related functions. The fees approved as part of the 1998 supplemental have been incorporated into the overall fee restructuring proposal for the department.

Significant Program Reductions

General Fund Transfer Reduction - (\$420,665). DDES was required to reduce its general fund transfer by 9.5 percent for 1998. This cut was achieved by reducing or eliminating general fund backing for functions that also receive funding from permit fees and other revenue sources. Functions whose general fund contribution has been reduced for 1998 include: current planning, clearing and grading, and environmental education. This reduction is not visible on the Expense Summary table

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above because it effects only the revenues used for specific functions as opposed to the services provided.

Significant Program Additions

Code Enforcement - Livestock Monitoring - \$82,515/1.00 FTE. This position will assist farmers with developing farm management plans and aid the Department of Natural Resources in maintaining pollution-free streams. The Livestock Monitoring Ordinance allowed farmers five years to bring their farms up to new standards. The five-year period has now ended and DDES must begin enforcing this section of the Code. This new effort is funded through a transfer from the general fund.

Comprehensive Plan Update/Implementation - \$197,749/3.00 FTE. This add funds a Planner II to participate in the year 2000 update of the Comprehensive Plan. The add also funds an Office Technician II and a Planner II to process ongoing site-specific Comprehensive Plan amendment applications at DDES. This new effort is funded through a transfer from the general fund.

ESA/Early Implementation - \$663,285/8.00 FTE. Consistent with the recent ESA legislation passed by the Council, this add provides full-year support for enhanced permit review, inspections, and enforcement related to the County's implementation of the Endangered Species Act. Funding for this effort will come from a new ESA surcharge imposed on permitting activity which has significant impacts upon the physical environment.

Fire Marshal Life & Safety Inspections - \$876,670/11.00 FTE. DDES will impose a new fee on business owners for annual Life and Safety Inspections (currently DDES conducts inspections of hazmat and public assembly buildings). The new inspections will affect approximately 8,000 businesses and multi-family buildings and fees will be charged at the adopted hourly rate. Recent fire losses have, in part, prompted DDES to pursue this initiative as well as the fact that neighboring jurisdictions have begun conducting similar types of safety inspections.

Land Use Inspection Enhancement - \$325,288/4.00 FTE. DDES will increase its efforts to equalize inspection times for similar projects and to enforce more code-required timelines for construction completion. The additional effort will be funded through the Department's conversion to an hourly-based fee system.

Staffing Adjustments for Volume - \$1,896,576/13.50 FTE. This add reconciles DDES's early base budget estimates to actual workload levels. In both 1997 and 1998, actual workload levels exceeded early projections. This add also transfers workload among sections due to the increased issuance of "Subject to Field Inspection" permits for simple building projects.

Code Enforcement Addback - \$63,609/1.00 FTE. This add provides funding for a Code Enforcement Officer that was part of a one-time CX-backed add in the 1998 budget cycle.

State DOT, SWM, and Roads Contracts - \$214,840/3.50 FTE. Several inter-governmental funding agreements are included in this add. The positions funded will coordinate the review of State and County permit applications. These resources help ensure that public agencies meet timelines for capital improvement projects.

E-911 Address Corrections and Inspections - \$106,393/1.50 FTE. The County's Emergency 911 program provides resources to DDES to correct addresses in unincorporated areas. Inspections of Private Board Exchange systems will further improve the reliability of the E-911 system.

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Private Contracts - \$553,861/8.00 FTE. DDES provides a variety of discreet functions which are fully funded by private entities. New agreements for the funding of these functions are developed annually and added to DDES's proposed budget. In 1999, DDES is obligated to provide expertise and permit review services in connection with the Blakely Ridge and North Ridge developments to ensure that the unique conditions imposed upon Fully Contained Communities are followed.

Support to the City of Kenmore - \$444,971/6.50 FTE. Pursuant to an interlocal agreement signed with the City of Kenmore, DDES will continue to issue building and land use permits within the incorporated area of Kenmore during the 1999 transition year.

Technical and Central Changes - (\$463,238)/(0.50) FTE. This total includes county-wide changes such as benefit and central rate adjustments. It also corrects for inaccurate benefits and salary data in the labor budgeting system.

DDES 15% Contingency - \$2,918,604/27.00 FTE. Consistent with the fiscal policy adopted in late 1997 which allows for annual expenditure and FTE authority in excess of expected fee receipts, this add sets up a contingency calculated at 15% of expected fee receipts for 1999 (contingency authority of \$2,700,135 for 1998 has been removed). If permit activity and receipts are higher than anticipated in 1998, this additional expenditure authority (and corresponding FTE authority) can be activated without Executive transmittal of a mid-year supplemental appropriation ordinance.

OTHER SIGNIFICANT CHANGES

Fee Restructuring

The Department of Development and Environmental Services (DDES) is proposing to undergo a fee restructuring in 1999. Current fees, set years ago, do not reflect the costs of services. Many fees do not recover costs, while many others exceed the cost of production. The mix of products is unpredictable from one year to the next. The mix of products and the unpredictability has resulted in unstable financial performance and a fund that is in a deficit position. This fee restructuring proposal will revamp the current system so that all fees will recover costs of services performed, and put the fund on the road to financial health.

The Department has a lengthy history of financial instability. In 1991, Arthur Anderson released a report recommending that DDES should analyze its fees and financial plan. In 1993, DDES released the first in a series of studies of its fee structure. The studies concluded that a leading cause of the Department's financial instability was due to the fee structure. The instability in the fee structure has resulted in unpredictable financial performance of the Department, making sound financial planning difficult. The current state of the DES fund exacerbates this situation. When the fund was created in 1983, it was underfunded and on a cash basis. There was no cost accounting of what the fees should have been. As a result, the Department recognized a deficit in the late 1980s and participated in heavy borrowing in 1990 through 1992. Although the Department has risen from a fund deficit of \$20 million to the current \$2.5 million, progress has ceased in retiring the deficit.

This fee restructuring is long overdue and will bring financial health to the fund. Despite the specific recommendations and clear admonitions that King County keep pace with costs, no action has occurred. This fee restructuring represents the move needed to take fiscal responsibility.

Please see report from DDES entitled, "Permit Fee - Cost Study," for further details.

Logan Knox Compliance

DDES has taken the necessary steps to comply with the Logan/Knox agreement.

COUNCIL ADOPTED BUDGET

Code Enforcement Add - \$73,500/1.00 FTE. *This provision restores funding for an additional Code Enforcement Officer originally funded through a one-time CX-backed add in the 1998 budget cycle.*

Eliminate Site-Specific Amendment Add – (\$127,749)/(2.00) FTE. *Due to lower work load than anticipated, the proposal to add two positions to review site-specific amendments to the Comprehensive Plan was rejected.*

Reduce Life and Safety Inspection Add – (\$709,670)/(9.00) FTE. *The scope of the Department's new life and safety inspection program will be curtailed in 1999. Of the 11 positions proposed, 2 will be funded. By proviso, the Council directs that DDES begin implementation of the life and safety inspection program by inspecting multifamily developments followed by schools and commercial developments.*

Technical Correction – (1.00) FTE/ 1.00 TLP. *In the Executive's budget proposal, a term-limited position associated with the Comprehensive Plan update was inadvertently listed as an FTE. This oversight was corrected in the Executive's errata to the budget and in the budget ordinance adopted by the Council.*

Fee Restructuring – *Council adopted the DDES fee restructuring ordinance proposed by the Executive with few significant changes. The amendments made by the Council limit fees charged for agriculture-related activities on lands within the Agricultural Production District. The Council also maintained the current level of fees charged for residential additions of 1,000 square feet or less.*

NATURAL RESOURCES

ISSUES AND PRIORITIES

The Department of Natural Resources contains the following functional responsibilities: Administra-

Mission

Natural Resources

To provide waste water control programs and facilities, enhance and manage surface water and natural drainage systems, manage disposal of waste, encourage recycling and the use of recycled products, and preserve property and natural resources.

tion, Wastewater Treatment Division, Water and Land Resources Division (WLRD), Solid Waste and the Commission for the Marketing of Recyclable Materials.

Administration

The administrative unit is comprised of the Director's Office, including a CFO function added in 1998, and a Human Resource Section.

Wastewater Treatment Division

The main consideration in developing the 1999 operating budget for the Wastewater Treatment Division program was the implementation of the adopted 1998 sewer rate of \$19.10 per month and the related intent to maintain that rate for 1999. In 1999, the West Point Treatment facility took over the operation of the former "PCL/SMI" biosolids drying/handling facility at West Point. Through the continued use of the high-solids centrifuges and larger trucks to haul biosolids, WTD has been able to meet its operating settlement conditions without the use of the [PCL/SMI] dryers.

The Regional Wastewater Service Plan (RWSP) has developed alternative system configurations that address four key functional areas: wastewater treatment and conveyance, combined sewer overflows, biosolids management, and water reuse. An Executive preferred strategy was presented to the Council for review and adoption during April 1998. The 1999 WTD Capital budget contains 6 elements in support of the Executive's Preferred Strategy totaling \$9.5 million. Due to the proposed listing of the Chinook salmon as threatened under the Endangered Species Act (ESA), Wastewater Treatment will undertake the production of a Habitat Conservation Plan (HCP) in order to provide some certainty regarding permits and other Federal regulatory reviews as the RWSP progresses.

Water and Land Resources Division

Key objectives of the Water and Land Resources Division include protecting public health, resolving flooding problems, sustaining healthy watersheds and enhancing the environment by protecting agriculture, open space, forestry, and other natural resources of the county.

There are several key issues facing the WLRD in 1999. These include: 1) Providing adequate resources for ongoing surface water programs in a time of ongoing revenue losses due to annexations and incorporations; including the development of new funding strategies in support of both ongoing and new Surface Water Management programs, 2) Responding to ESA and RWSP process/program requirements through the shifting of RNA resources and the annualization of 1998 ESA Supplemental resources, and 3) Moving into the new King Street Building (in August/September 1999) while managing significant 1999 program revisions.

The River Improvement Fund has included a Flood Hazard Reduction Supplemental request in its 1999 budget. This \$730,336 initiative is funded through a variety of grant and DNR funding sources. In 1999, \$435,000 of these expenditures will support ESA projects within the WTD and WLRD service areas in unincorporated King County.

PHYSICAL ENVIRONMENT PROGRAM AREA

The Intercounty River Improvement Fund will return to historic baseline levels upon completion of flood repair work in 1999.

Resource Lands and Open Space

Open Space Acquisition is proposing to merge with Agriculture and Resource Lands in 1999. Having successfully completed the 1989 Open Space Bond, 1993 Open Space Bond paid by the Conservation Futures Tax, and Waterways 2000 programs, the focus of the Office of Open Space has shifted to open space and habitat land purchases, river protection easements, and flood buyouts. It is also responsible for acquisition of open space resource lands, farms and forest lands within DNR and in conjunction with the Department of Parks and Recreation. Resource Lands and Open Space will continue to respond to rural needs, expand its Agriculture/Livestock and Farm/Forest Programs, be extensively involved in the development of changes proposed to the King County Comprehensive Plan, and support the development of the County's Habitat Conservation Plan (HCP) and early action implementation in response to proposed salmon listings under the Endangered Species Act (ESA).

Noxious Weed Control Program

The Noxious Weed Control Program, a function of Resource Lands and Open Space, was established in 1996. In 1999, if approved, it will be funded by revenue from an annual assessment of all parcels of land within King County. The program provides consultations, weed identification, information on specific weeds, control methods, safety education to prevent injury from plant toxins, advice on proper use of herbicides, and alternative control methods. The assessment will enable the program to provide more services to King County property owners.

Solid Waste Division

The most significant issue facing the Solid Waste Division (SWD) continues to be how to maintain rate and service stability for solid waste rate payers. Last year, SWD entered into discussions with the major stakeholders in the system, commercial haulers, represented labor, and the suburban cities to try to reach agreement on how solid waste services should be provided in the future. Since then the County Executive has continued to meet with the stakeholder groups to try to reach consensus. SWD is also submitting a strategic business plan to the Executive with the purpose of providing the Executive with a blueprint of how SWD can increase its efficiency and provide service to the region over the long term. The strategic business plan will lead to the update of the Comprehensive Solid Waste Management Plan in 1999.

Commission for Marketing Recyclable Materials

The 1999 proposed budget is based on a workplan that includes several joint projects between the Marketing Commission, other government agencies, and the business community. Among these projects is a product stewardship program which is linked to the Smart Growth Initiative. With this program, the Commission will facilitate efforts in our region to work with businesses to design and take back their products in ways that are beneficial to the environment and to business. The Commission also expects to provide assistance to DNR's efforts to integrate the County's strategies for managing organic materials, particularly in taking unmanaged waste and turning it into a resource for others. The Commission is continuing its work in developing the market development section of the Comprehensive Solid Waste Management Plan.

PHYSICAL ENVIRONMENT PROGRAM AREA

Expense Summary: Dept of Natural Resources	\$	FTEs*
1998 Adopted Budget		
DNR Administration	2,863,725	23.00
Wastewater Treatment Division (WTD)	70,090,802	564.60
Water and Land Resources Div. (WLRD) - Surface Water Mgmt. (SWM)	34,483,010	259.87
WLRD - River Improvement (RIF)	6,452,745	15.00
WLRD - Intercounty River Improvement (ICRI)	487,378	0.00
WLRD - Agriculture and Resource Lands	1,540,786	20.00
WLRD - Open Space Acquisition	1,227,951	12.00
WLRD - Noxious Weed Control Program	0	0.00
Solid Waste Post-Closure Landfill Maintenance	1,485,771	
Solid Waste Marketing Commission	1,263,272	9.00
Solid Waste Division	59,836,276	384.68
Total 1998 DNR Adopted Budget	179,731,716	1,288.15
Base Increment**		
DNR Administration	34,120	0.00
Wastewater Treatment Division	10,437,395	28.00
WLRD - Surface Water Mgmt. (SWM)	1,828,275	28.00
WLRD - River Improvement (RIF)	66,925	2.00
WLRD - Intercounty River Improvement (ICRI)	(39,255)	0.00
WLRD - Agriculture and Resource Lands	(123,704)	(2.75)
WLRD - Open Space Acquisition	(43,227)	1.00
WLRD - Noxious Weed Control Program		
Solid Waste Post-Closure Landfill Maintenance	(1,719)	
Solid Waste Marketing Commission	20,042	
Solid Waste Division	3,199,068	1.00
Total DNR Base Increment	15,377,920	57.25
Adjusted Base (98 Adopted + Base Incr.)		
DNR Administration	2,897,845	23.00
Wastewater Treatment Division	80,528,197	592.60
WLRD - Surface Water Mgmt. (SWM)	36,311,285	287.87
WLRD - River Improvement (RIF)	6,519,670	17.00
WLRD - Intercounty River Improvement (ICRI)	448,123	0.00
WLRD - Agriculture and Resource Lands	1,417,082	17.25
WLRD - Open Space Acquisition	1,184,724	13.00
WLRD - Noxious Weed Control Program	0	0.00
Solid Waste Post-Closure Landfill Maintenance	1,484,052	0.00
Solid Waste Marketing Commission	1,283,314	9.00
Solid Waste Division	63,035,344	385.68
Total DNR 1999 Adjusted Base Budget	195,109,636	1,345.40

PHYSICAL ENVIRONMENT PROGRAM AREA

DNR Administration		
Significant Program Additions		
King Street Move	278,603	
ESA: Planning & Management	295,601	2.00
Technical Adjustments***		
Miscellaneous Technical Adjustments	340,890	1.10
Central Rate Adjustments	153,376	
Subtotal reductions/additions/adjustments	1,068,470	3.10
Proposed DNR Administration	3,966,315	26.10
Wastewater Treatment Division (WTD)		
Significant Program Additions		
ESA: Executive support and Habitat Conservation Plan Dev.	482,158	2.50
Technical Adjustments***		
WTD Base Budget: Technical Adjustments	(2,301,664)	(7.32)
King Street Move: Adjust Base Assumptions	(449,829)	
WLRD Transfer: Technical Adjustments	(207,187)	
West Point FTEs: Add Process, Eliminate Dryer	(5,226)	(14.00)
Payroll Reconciliation Adjustments	338,295	
Capacity Charge Process Improvements	300,000	
Lakes and Streams Monitoring - Ongoing	223,000	
DNR Overhead above rate assumption)	212,196	
Other Miscellaneous Technical Adjustments	121,962	3.50
Central Rate Adjustments	1,772,373	
Subtotal reductions/additions/adjustments	486,078	(15.32)
Proposed Wastewater Treatment Division	81,014,275	577.28
Water and Land Resources Division - SWM		
Significant Program Additions		
ESA: ESA and RWSP Programs	2,534,063	13.00
King Street Move	700,223	
Regional Stormwater Fee	574,895	3.00
Urban Planned Development (UPD) Monitoring	280,000	
Technical Adjustments***		
SWM Program Reductions	(1,290,766)	(6.00)
Wastewater Funded Program Reductions	(1,219,453)	3.00
Public Outreach Program reductions	(401,397)	(2.00)
Administration Section Reductions	(362,959)	2.25
CIP Transfer	(307,064)	
Reductions in City Contracts	(199,095)	
Drainage/Maintenance Reductions	(182,284)	(1.80)
Other Miscellaneous Technical Adjustments	92,610	(1.00)
Central Rate Adjustments	330,252	
Subtotal reductions/additions/adjustments	549,025	10.45
Proposed Surface Water Management	36,860,310	298.32

PHYSICAL ENVIRONMENT PROGRAM AREA**Water and Land Resources Division - RIF****Significant Program Additions**

Flood Hazard Reduction Supplemental Request (UAL funded	1,444,008	0.00
ESA: Technical Program Area 3	435,836	4.00

Technical Adjustments***

Major Maintenance	(2,100,372)	
Mill Creek	(103,466)	
Flood Control Zone District - Ongoing	(9,441)	
Flood Control Zone District - Major	117,954	
Ongoing River Program	31,541	
Central Rate Adjustments	150,169	
Subtotal reductions/additions/adjustments	(33,771)	4.00

Proposed River Improvement	6,485,899	21.00
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Water and Land Resources Division - ICRI**Technical Adjustments*****

Miscellaneous Technical Adjustments	(12,149)	
Central Rate Adjustments	125,943	
Subtotal reductions/additions/adjustments	113,794	0.00

Proposed Intercounty River Improvement	561,917	-
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WLRD - Resource Lands and Open Space**Significant Program Reductions**

Program/Miscellaneous Adjustments	(292,499)	(2.25)
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Significant Program Additions

Puget Sound Fresh	50,000	
Smart Growth - Rural Forest Incentive Program	95,920	1.00
Smart Growth - Agriculture/Livestock Program	152,261	2.00
ESA - Early Implementation Program Area 4	66,779	
Consolidating Open Space Acquisition with Agriculture and Resource Lands	1,184,724	13.00

Technical Adjustments

King Street Move	52,547	
Comp Plan Update	70,000	
Regional Wastewater Services Plan; Addition	74,389	1.00
Central Rate Adjustments	6,404	

Subtotal reductions/additions/adjustments	1,460,525	14.75
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Proposed Resource Lands and Open Space	2,877,607	32.00
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Water and Land Resources Division - Open Space Acquisition**Significant Program Reductions**

Consolidating Open Space Acquisition with Agriculture and Resource Lands	(1,184,724)	(13.00)
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Subtotal reductions/additions/adjustments	(1,184,724)	(13.00)
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Proposed Open Space Acquisition	0	0
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PHYSICAL ENVIRONMENT PROGRAM AREA

WLRD - Noxious Weed Control Program		
Significant Program Additions		
Noxious Weed Control Program	508,444	2.50
Technical Adjustments		
Central Rate Adjustments	4,535	
Subtotal reductions/additions/adjustments	512,979	2.50
Proposed Noxious Weed Control Program	512,979	2.50
Solid Waste Post-Closure Landfill Maintenance		
Technical Adjustments		
Operating and Maintenance	313,993	
Central Rate Adjustments	(12,883)	
Subtotal reductions/additions/adjustments	301,110	0.00
Proposed Solid Waste Post-Closure Landfill Maintenance	1,785,162	0.00
Solid Waste Marketing Commission		
Significant Program Additions		
Smart Growth - Product Stewardship	10,000	
Technical Adjustments		
Program/Miscellaneous Adjustments	12,420	
Central Rate Adjustments	19,972	
Subtotal reductions/additions/adjustments	42,392	0.00
Proposed Solid Waste Marketing Commission	1,325,706	9.00
Solid Waste Division		
Significant Program Reductions		
CERP Transfer	(1,590,919)	
Significant Program Additions		
Development of Gainsharing Program	200,000	
Acceptance of Debit and Credit Cards	117,900	
Technical Adjustments		
Miscellaneous Adjustments	684,473	0.49
King Street Office Relocation	496,561	
Central Rate Adjustments	112,937	
Subtotal reductions/additions/adjustments	20,952	0.49
Proposed Solid Waste Division	63,056,296	386.17
Subtotal reductions/additions/adjustments	3,336,830	6.97
1999 DNR Executive Proposed	198,446,466	1,352.37

* FTEs do not include extra help, overtime nor term limited positions.

** This includes revised 1998 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

*** This includes salary and benefit adjustments, volume increases, inflation, central rates adjustments, and annualization of 1998 supplementals.

PHYSICAL ENVIRONMENT PROGRAM AREA

PROGRAM HIGHLIGHTS

Significant Program Reductions

Open Space

Consolidating Open Space Acquisition with Agriculture and Resource Lands - (\$1,184,724/13.00 FTE). This proposal merges Open Space Acquisition with Agriculture and Resource Lands.

Resource Lands and Open Space

Program/Miscellaneous Adjustments - (\$292,499/2.25 FTE). This proposal addresses loan-in/loan out labor adjustments, the removal of the Noxious Weeds Program from Agriculture and Resource Lands, miscellaneous technical adjustments within the base, and the removal of expenses associated with the Agriculture and 4 to 1 Programs.

Solid Waste Division

CERP Transfer - (\$1,590,919). The Solid Waste Division's contribution to the Capital Equipment Replacement Program (CERP) is decreased due to decreased replacement costs in 1999.

Significant Program Additions

DNR Administration

King Street Move - \$278,603. This add includes funding to move the Department's offices to the King Street Building and establish space for the ESA Coordination Office.

ESA: Planning & Management - \$295,601/2.0 FTE. As part of funding the Tri-County ESA effort and to be consistent with the 1998 ESA Supplemental, the Tribal and Regional Liaison positions and the balance of the ESA Coordinator's contract have been placed in the DNR Administration budget.

Wastewater Treatment Division

ESA: Planning & Management and HCP Development - \$482,158/2.5 FTE. To support work on the RWSP HCP, per the 1998 ESA Supplemental, Wastewater is funding: ESA technical program activities at \$161,018 - these resources were approved in DDES as part of the 1998 Supplemental, but have been moved from the DDES Budget to WTD in 1999; legal support in the Prosecuting Attorney's Office at \$123,430; coordination of regional and internal efforts in the Executive's Office for \$44,311; the inventorying of policies, plans and land-use regulations in the Office of Regional Policy and Planning for \$69,899; and an ESA-related Public Outreach program for \$83,500. Where appropriate, based on the connection to current Wastewater service areas or the RWSP HCP development, Wastewater is funding ESA programs and projects utilizing the appropriate and necessary resources available from other County agencies.

Water and Land Resources Division; SWM:

ESA: ESA and RWSP Work Programs - \$2,534,063/13.0 FTE. This add supports the annualization of the 1998 ESA Supplemental for WLRD work programs in the four (4) ESA program areas and WLRD work program items associated with the RWSP. The ESA program is composed of three major efforts:

- 1) Tri-County and Water Resource Inventory Areas (WRIA) response: At the Tri-County and WRIA levels, King County will continue to provide regional leadership while coordinating closely with federal and state agencies and Tribal governments. The Tri-County program provides a regional forum for issues and general guidance for WRIA activities.
- 2) Regional Wastewater Services Plan (RWSP) - Green River and Lakes studies: The Green River and Lakes studies of the RWSP provide important water quality data, analysis and monitoring to re-

PHYSICAL ENVIRONMENT PROGRAM AREA

spond to federal requirements under ESA and the closely-linked Clean Water Act.

3) The Wastewater Habitat Conservation Plan (HCP): This will provide the scientific background, implementation and monitoring plan required by the National Marine Fisheries Service (NMFS) for issuance of an “incidental take permit”. This permit provides the long-term assurances needed for undertaking major capital projects.

King Street Move - \$700,223. Moving WLRD to the King Street Building, including debt service on capital systems purchases, e.g., telecom, data, partitions.

Regional Stormwater Fee - \$574,895/3.0 FTE. This add provides additional resources necessary to develop, plan and implement new funding strategies to support Surface Water Management regional and local programs. The final product will be a comprehensive service plan for the existing service area and recommended expansion areas, from consideration of expansion into rapidly developing basins outside the current service area to full coverage of geographic King County. The plan(s) will clearly delineate both costs and benefits to unincorporated ratepayers, will be consistent with state statute, and clearly demonstrate a nexus between who is paying and who is contributing or benefiting.

Urban Planned Development (UPD) Monitoring - \$280,000. This add initiates and implements the County’s agreement to monitor activities associated with the Blakely Ridge and Redmond Ridge developments.

Water and Land Resources Division; River Improvement Fund:

Flood Hazard Reduction Supplemental Request - \$1,444,008. This add provides resources to support the flood hazard reduction projects recommended in both the adopted Flood Hazard Reduction Plan (FHRP) and the Watershed Forum’s Regional Needs Assessment (RNA) project list.

ESA: Snoqualmie Watershed - \$435,836/4.0 FTE. This add provides resources to support the response to the ESA for the Snoqualmie Watershed. This rural watershed is outside both King County’s Surface Water Management and Wastewater Treatment Service Areas. As a result, staffing has historically been very limited in these basins and no detailed basin plan or comprehensive inventory of salmonid stocks or their critical habitat needs or an assessment of habitat restoration needs has been completed. If the County does not fund the ESA response in the rural areas, particularly the Snoqualmie and Skykomish Watersheds, it will fail to place resources where they have the most potential to effect the overall recovery of wild Chinook salmon stocks in Puget Sound.

King County, in cooperation with Snohomish and Pierce Counties, has taken a leadership role in coordinating the regional response to ESA. If King County does not come forward with the staff and resources needed to cooperatively develop recovery strategies in the Snoqualmie, Skykomish, and other rural watersheds, it will lose credibility with the National Marine Fisheries Service (NMFS) and other local partners.

Resource Lands and Open Space

Puget Sound Fresh - \$50,000. This initiative, funded from the Current Expense Fund (CX), enhances the quality of life for Puget Sound farming communities and all who partake in enjoying local produce and food products by supporting local agriculture and the use of organic methods.

Smart Growth - Rural Forest Incentive Program - \$95,920/1.00 FTE. This program, funded by Surface Water Management (SWM) and the Arts and Natural Resources Initiative (ANRI), is the delivery mechanism for the Rural Forest Incentive Program developed and funded by the Farm and Forest Initiative. It continues the funding of two Forest Specialists who work directly with small rural forest landowners.

PHYSICAL ENVIRONMENT PROGRAM AREA

Smart Growth - Agriculture/Livestock Program - \$151,261/2.00 FTE. This proposal, funded by the King Conservation District (KCD), provides livestock owners throughout King County support for complying with King County Livestock Management Ordinance (LMO) requirements. It provides livestock owners with a coordinated, environmentally safe manure storage and disposal program that meets LMO mandates and provides assistance to farmers throughout King County in implementing strategies and incentive programs developed through the Farm and Forest Initiative.

ESA - Early Implementation Program Area 4 - \$66,779. In response to proposed salmon listings under the Endangered Species Act (ESA), this proposal, funded by various CIP projects, supports the early action implementation.

Consolidating Open Space Acquisition with Agriculture and Resource Lands - \$1,184,724/13.00 FTE. this proposal merges Open Space Acquisition with Agriculture and Resource Lands.

Noxious Weed Control Program:

Noxious Weed Control Program - \$508,444/2.50 FTE. The Noxious Weed Control Program, a function of Resource Lands and Open Space, was established in 1996. In 1999, it will be funded by revenue from an annual assessment of all parcels of land within King County. The program provides consultations, weed identification, information on specific weeds, control methods, safety education to prevent injury from plant toxins, advice on proper use of herbicides, and alternative control methods. The assessment will enable the program to provide more services to King County property owners.

Solid Waste Marketing Commission:

Smart Growth - Product Stewardship - \$10,000. This new program promoting product stewardship will assist manufacturers and product designers in managing the life cycles of their products so that more materials are reused, recycled, or turned into recycled products.

Program/Miscellaneous Adjustments - \$12,420. Existing programs were adjusted to changing market conditions.

Solid Waste Division:

Development of Gainsharing Program - \$200,000. A potential agreement with Suburban Cities is emerging from stakeholder discussions which require negotiation of a gainsharing program with labor unions. This proposal includes funding for 1.50 FTEs required by the Office of Human Resource Management (OHRM) to handle negotiations with labor unions.

Acceptance of Debit and Credit Cards - \$117,900. In response to the Moss Adams Audit, the Solid Waste Division (SWD) will begin accepting debit and credit cards as payment from customers. This will result in fees payable to financial institutions.

PHYSICAL ENVIRONMENT PROGRAM AREA

Technical Adjustments

DNR Administration

Miscellaneous Technical Adjustments - \$340,890/1.10 FTE.

Central Rate Adjustments - \$153,376.

Wastewater Treatment Division

The technical adjustments in the Wastewater Treatment Division are all related to the items mentioned in the footnotes of the Expense Summary above.

Water and Land Resources Division; SWM:

The technical adjustments in Surface Water Management are all related to the items mentioned in the footnotes of the Expense Summary above.

Water and Land Resources Division; RIF:

The technical adjustments in River Improvement are all related to the items mentioned in the footnotes of the Expense Summary above.

Resource Lands and Open Space:

King Street Move - \$52,547. This proposal provides Current Expense funds for the moving costs incurred by Resource Lands and Open Space when they move their offices from their present location to the new King Street Building.

Comp Plan Update - \$70,000. The 1999 Executive Proposed Budget includes Current Expense funding for Resource Lands and Open Space's involvement in the development of changes to the King County Comprehensive Plan to be adopted in the year 2000.

Regional Wastewater Secondary Plant Addition - \$74,389/1.00 FTE. Funded by the Wastewater Treatment Division CIP project, this position will research and provide site information for locating a new secondary treatment plant and participate in team meetings for site location.

Central Rate Adjustments - \$6,404. These adjustments are comprised of central rate changes in Flex Benefits, CX Overhead, ITS Infrastructure, Telecommunications Direct, Telecommunications Overhead, Motor Pool, PAO, Building Modernization, and Finance.

Noxious Weed Control Program:

Central Rate Adjustments - \$4,535. These adjustments are comprised of central rate changes in Flex Benefits, Telecommunications Direct, Telecommunications Overhead, and Building Modernization.

Solid Waste Post-Closure Landfill Maintenance:

Operating and Maintenance - \$313,993. Operating and maintenance (O & M) costs for currently funded custodial landfills were increased and annual O & M costs were added for South Park and Vashon Island.

Central Rate Adjustments - (\$12,883). These adjustments are comprised of central rate changes in CX Overhead and Finance.

Solid Waste Marketing Commission:

Central Rate Adjustments - \$19,972. These adjustments are comprised of central rate changes in Flex Benefits, CX Overhead, ITS Infrastructure, Telecommunications Direct, Telecommunications

PHYSICAL ENVIRONMENT PROGRAM AREA

Overhead, Tenant O&M, Insurance, Building Modernization, and Finance.

Solid Waste Division:

Miscellaneous Adjustments - \$684,473/.49 FTE. Various O&M adjustments, property services lease fee, department overhead adjustment, additional legal support, video monitor system upgrade, ground-water monitoring support, and FTE adjustments are included in this proposal.

King Street Office Relocation - \$496,561. This proposal provides funds for the moving costs incurred by SWD when they move their offices from their present location to the new King Street Building.

Central Rate Adjustments - \$112,937. These adjustments are comprised of central rate changes in Flex Benefits, CX Overhead, ITS O&M, ITS Infrastructure, Telecommunications Direct, Telecommunications Overhead, Motor Pool, Tenant O&M, Insurance, Radio Access, Radio Maintenance, Radio Replacement, PAO, Debt Service, Building Modernization, and Finance.

OTHER SIGNIFICANT CHANGES

Logan Knox Compliance

Wastewater Treatment Division - 28.0 FTE/20 TLP: In order to attain compliance with the criteria established in the Logan/Knox settlement, WTD has added 28 full-time equivalent positions (FTEs) and converted extra help expenditures into another 20 term-limited positions (TLPs). Remaining extra help expenditures are for truly temporary positions associated with vacation fill-in, internships and seasonal project work, in the Environmental Compliance, WTD Engineering Services, WTD Facilities, Project Management and Design, West Operations and Facility Planning sections.

Water and Land Resources Division (SWM) - 28.0 FTE/18.35 TLP: In order to attain compliance with the criteria established in the Logan/Knox settlement, WLR/SWM has added 28 full-time equivalent positions and converted extra help expenditures into another 18.35 term-limited positions. Remaining extra help expenditures are for truly temporary positions associated with vacation fill-in, internships and seasonal project work, in the Admin., Finance, Program Development, Drainage Investigation, Watershed Services, ESA and Hazardous Waste Management sections.

Water and Land resources (RIF) - 2.0 FTE/1.0 TLP: In order to attain compliance with the criteria established in the Logan/Knox settlement, WLR/RIF has added 2 full-time equivalent positions and converted extra help expenditures into another 1 term-limited positions. Remaining extra help expenditures are for truly temporary positions associated with vacation fill-in, internships and seasonal project work, in the Water Quality and River Flood Repair sections.

Resource Lands and Open Space:

In 1999 Resource Lands and Open Space will employ 7.64 FTEs as term-limited positions. This includes 1.00 FTE for providing coordination of the comprehensive plan 2000 update, 1.00 FTE for a forest specialist who will work directly with small rural forest land owners under the Rural Forest Incentive Program, 1.00 FTE for a project administrator to support the ESA early action implementation, and 4.64 FTEs for eight seasonal noxious weed inspectors. Truly temporary resources will be utilized to fund interns for the habitat's wetlands and wildlife programs.

Solid Waste Division:

The Solid Waste Division has taken the necessary steps to comply with the Logan/Knox agreement.

PHYSICAL ENVIRONMENT PROGRAM AREA

COUNCIL ADOPTED BUDGET

DNR Administration:

Add \$44,000 for an ESA “Salmon Team” support position omitted, in error, from the Proposed Budget.

Utilize \$195,500 in DNR Admin. budget savings to fund \$195,000 in Groundwater Management Program implementation.

The impact of these three actions is a net increase of \$43,500 from the DNR Administration Proposed Budget.

Wastewater Treatment Division:

Additional ESA support of \$44,000: to fund the ESA “Salmon Team” support position.

\$215,237 to support River Improvement programs; This support will be partial funding for the following River Improvement programs within the Wastewater service area: Flood Plain Mapping, Flood Hazard Reduction Planning and Public Outreach and Education for Rivers.

Water and Land Resources Division - SWM:

\$80,000 to support Council Initiatives.

\$80,000/1.0 FTE; to support an ESA grants & partnerships resource/position (PA IV).

\$237,160/2.0 FTEs; for Local Storm water Fee development.

\$325,000 to restore funding to the Waterworks grant program.

\$90,342 to partially fund two River Improvement programs.

\$235,000/2.5 FTEs; representing technical adjustments to the SWM Proposed Budget.

(\$350,270)/(3.0 FTEs); Reduce the Regional Storm water Fee study.

(1.0)FTE; A net reduction to FTEs requested for ESA program support; one position was changed from an FTE to a TLP (term-limited position).

Water and Land Resources Division - RIF:

(\$1,149,508); Reduce the Flood Hazard Reduction Supplemental Request in the River Improvement Proposed Budget.

(\$36,000); Reduce the Mill Creek maintenance work in the River Improvement Proposed Budget.

(\$82,264); Reduce the Central Rate Allocation to River Improvement.

Water and Land Resources Division - ICRI:

(\$100,000); Eliminate the Intercounty River Improvement contribution to funding the 1999 Tri-county/WRIA ESA work programs.

(\$95,248); Reduce the Central Rate Allocation to Intercounty River Improvement.

\$60,000 to partially fund two River Improvement programs.

Resource Lands and Open Space:

Council made no changes to the 1999 Executive Proposed Budget.

Noxious Weed Control Program:

Council made no changes to the 1999 Executive Proposed Budget.

Solid Waste Post-Closure Landfill Maintenance:

Council made no changes to the 1999 Executive Proposed Budget.

Solid Waste Marketing Commission:

Council made no changes to the 1999 Executive Proposed Budget.

Solid Waste Division:

PHYSICAL ENVIRONMENT PROGRAM AREA

Council made no changes to the 1999 Executive Proposed Budget.

PHYSICAL ENVIRONMENT PROGRAM AREA

PARKS & RECREATION

ISSUES AND PRIORITIES

The Department of Parks and Recreation in 1999 will continue to implement the Parks, Recreation and

Mission

Parks & Recreation

To improve the well-being of King County residents by providing high quality park and recreation opportunities.

Open Space Plan and will work to transfer local facilities and services to annexing or incorporating areas. The Department will bring a number of new facilities and lands on line in 1999, and will continue to provide a high level of service in maintaining facilities and providing stewardship of park lands and open spaces. A variety of valuable recreational activities are provided by

Parks and the Department continues to work with communities to tailor services and engage volunteers. Forging partnerships and identifying private sponsorship for formerly County-funded activities and events were high priorities in recent years and these efforts will continue to shape the Parks and Recreation Department in 1999.

Expense Summary		FTEs*
1998 Adopted Budget	\$ 21,683,665	214.33
Base Increment**	1,478,666	48.70
Adjusted Base	23,162,331	263.03
Significant Program Reductions		
Eliminate Park Patrol	(42,282)	
Eliminate Special Contracts	(31,000)	
Reduce Special Event Expenditures	(154,512)	
Eliminate Underexpenditure Reserve	(306,115)	
Efficiencies and Administrative Reductions	(171,946)	(2.00)
Significant Program Additions		
New Park Acreage	381,568	
Revenue Backed Adds	132,325	
Technical Adjustments***		
Central Rates and Labor Adjustments	(172,416)	
Reduce County Fair to 6 Days	(210,135)	
Technical Adjustments to YSFG	28,241	
Technical Adjustments to Nat Res--CJ	(11,258)	
1999 Executive Proposed	22,604,801	261.03

* FTEs do not include extra help, overtime nor term limited positions.

** This includes revised 1998 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

*** This includes salary and benefit adjustments, volume increases, inflation, central rates adjustments, and annualization of 1998 supplementals.

PHYSICAL ENVIRONMENT PROGRAM AREA

PROGRAM HIGHLIGHTS

Significant Program Reductions

Park Patrol - (\$42,282). This reduction would eliminate funding provided to the Sheriff's Office for special police patrols at park sites. Reactive police patrols will still be provided.

Special Contracts - (\$31,000). This reduction eliminates grant funds provided for local services largely within incorporated areas. The Department anticipates that local jurisdictions will be able to fund the services currently funded by these grants.

Special Event Expenditures - (\$154,512). Roughly half of this total is attributable to reduced entertainment and advertising expenditures for the three-day Heritage Festival held at Marymoor Park. The other half is attributable to similar expenditure reductions for the King County Fair. The Festival and the Fair are to operate as break-even events. In 1999, the County Fair will run for six days rather than ten days (see technical adjustments below).

Underexpenditure Reserve - (\$306,115). This reduction eliminates the reserve established to meet the County's 1.75% underexpenditure requirement. Each section of the Department will be forced to absorb the underexpenditure requirement through more disciplined spending patterns or through across-the-board cuts taken at the beginning of the year.

Efficiencies and Administrative Reductions - (\$171,946/2.00 FTE). This reduction eliminates positions which are no longer essential or can be subsumed into other positions. The total also includes elimination of a special project reserve and a reduction in scheduling and management expenditures due to the outsourcing of these functions for some facilities.

Significant Program Additions

New Park Acreage - \$381,568. Significant additions to the Park System will occur in 1999. Examples of new additions include four little league fields at the South King County Ballfields Park, acquisition of the Preston Mill Site, and additional trails and facilities at Cedar River, Green River, Snoqualmie Valley, Taylor Mountain and Soos Creek. New budget authority will provide funding for maintenance and operation requirements associated with these acquisitions.

Revenue-Backed Adds - \$132,325. This addition represents two fully revenue-backed increases to Parks' proposed budget for 1999. The contingent expenditure authority included in last year's budget has been raised to \$100,000-- this authority allows the Department to pursue event-related sponsorships and donations. In addition, the Capital Improvement Program will fund a term-limited project manager to manage the acquisition and development of the East Lake Sammamish Trail.

Technical Adjustments

Central Rates and Labor Adjustments - (\$172,416). Technical adjustments for Parks and Recreation include central rate changes and salary and benefit adjustments related to Extra Help conversions and Department reorganization.

Reduce County Fair to 6 Days - (\$210,135). The King County Fair Manager recently recommended to the Fair Board that the current 10-day County Fair be reduced to 6 days. After reviewing revenue and expense trends, attendance rates, vendor attrition, and exhibitor participation, the Board agreed that the 10-day format is not meeting original expectations and gave the Fair Manager's

PHYSICAL ENVIRONMENT PROGRAM AREA

recommendation its full support. To correct the budget for this decision, Parks submitted a net-zero technical adjustment that would reduce both Fair revenues and expenses by \$210,135.

Youth Sports Facilities Grant Fund - \$28,241. Technical adjustments for the Youth Sports Facilities Grant Fund include central rate changes and minor adjustments to labor and supply accounts.

Natural Resources Criminal Justice - (\$11,258). Technical adjustments for the Natural Resources Criminal Justice program include central rate changes and a correction for previous one-time expenditures.

OTHER SIGNIFICANT CHANGES

Fee Restructuring

Included in the Parks and Recreation 1999 budget is a proposal to restructure pool and recreation fees. The average fee increase is approximately 10 percent. The Department's user fees, which were last raised in late 1993, have not kept pace with inflation or similar fees charged by other local jurisdictions.

Parks has also proposed a new Special Use Permit fee to recover the cost of reviewing permit applications which allow private development of public land. Parks estimates that applicants will be charged an average of \$500 per permit.

Logan Knox Compliance

In 1998, the Department's \$2.7 million temporary help budget comprised 14% of the total temporary help budget for the County. As part of the Logan/Knox settlement, Parks created 48.70 new FTE positions from its temporary help budget.

The Department of Parks and Recreation employs truly temporary workers for four main purposes:

- Aquatics- Temporary help is used to staff the County's 17 pools and 5 beaches. Short-term workers are especially needed during the short but intensive summer season.
- Maintenance- In helping to maintain 196 parks and nearly 200 miles of trails, temporary workers handle tasks such as landscaping, trash pickup, indoor and outdoor facility cleanup and setup, and ballfield preparation.
- King County Fair- Temporary help employees help to set up, run, and dismantle the annual county fair. A few temporaries are hired during the rest of the year to help with major off-season events held at the fairgrounds.
- Recreation- During the peak summer season, temporary employees serve as instructors for short term classes. Other temporaries support full-time recreation staff who administer interpretive programs, daycamps, and other recreation activities in widely scattered locations.

Outsourcing of rental facilities and plans to reduce the King County Fair to 6 days have lowered the Department's temporary help needs for 1999. However, the increased temporary help needs associated with the addition of new park acreage, such as the South King County ballfields, will more than offset these reductions.

PHYSICAL ENVIRONMENT PROGRAM AREA

COUNCIL ADOPTED BUDGET

Additional Parks Maintenance Funding – \$386,878. Council fully funded the additional maintenance requirements associated with recent expansions in the County park system.

Special Contracts - \$19,000. Council appropriated funding for the following special projects: Bingamon Pond, Cedar Park Project matching funds, and Shoreline Parks and Recreation scholarships.

Fee Restructuring – Council adopted the Parks fee restructuring ordinance proposed by the Executive with only minor technical changes.

**STADIUM ADMINISTRATION
ISSUES AND PRIORITIES**

Mission

Stadium Administration

The Kingdome is dedicated to providing a multipurpose, self-supporting entertainment facility which presents quality events in a clean, safe, pleasant and accessible environment.

The 1999 Budget for the Stadium continues operations responding to the loss of major league baseball as a tenant effective July 14, 1999, when the Mariners begin play at Safeco Field. The 1999 Stadium budget also contains a transition plan component addressing employee transition, scheduling and parking availability and revenue uncertainties. Mitigation is also a concern, considering that the Kingdome site has been selected for the construction of the new football/soccer

stadium.

Expense Summary for:

Stadium Administration	\$	FTEs*
1998 Adopted Budget	\$ 13,700,285	74.00
Base Increment**	(27,511)	0.00
Adjusted Base	13,672,774	74.00
<i>Significant Program Reductions</i>		
Baseball relocation: Mariners to Safeco Field	(1,004,650)	(9.50)
Event Staff reduction	(974,573)	
Klndome Transition costs	(48,460)	0.50
Baseball Advertising Payment	(900,000)	
Medical Benefits	(276,201)	
Roof cleaning & Pavilion utilities	(73,500)	
<i>Significant Program Additions</i>		
Logan/Knox Settlement	148,360	
Event Staff Shuttle Program	14,080	
Olympic Bid Support	75,000	
<i>Technical Adjustments***</i>		
COLA/Merit, Shift Diff., Unemployment Comp.	232,445	
Mariner's Office Rent	(28,125)	
Salary/Benefit and Loan-out Lab. Adjustments	432,367	(1.00)
Utility Adjustments	47,736	
Contingent Events Adjustment	(75,649)	
Transfer to CX	1,000,000	
Central Rate Adjustments	(149,655)	
1999 Stadium Executive Proposed	12,091,949	64.00

* FTEs do not include extra help, overtime nor term limited positions.

** This includes revised 1998 adopted, initial status quo, and proposed status quo increments.
Under FTEs, annualization is included.

*** This includes salary and benefit adjustments, volume increases, inflation, central rates adjustments, and annualization of 1998 supplementals.

PHYSICAL ENVIRONMENT PROGRAM AREA

PROGRAM HIGHLIGHTS

The 1999 proposed budget includes the assumption that the Mariners begin play at Safeco Field on July 14, following the Major League All-Star game. The first half of 1999 will include a relatively normal event schedule in the Kingdome, with the second half centered around the Seahawk's 1999 schedule. The new exhibition center is projected to open in the fourth quarter of 1999. The final event to be held in the Kingdome will be the Seahawk's final playoff game of the 1999 season.

Significant Program Reductions

Baseball relocations: Mariners to Safeco Field - (\$1,004,65/9.5 FTE). The 1999 Stadium Proposed Budget assumes the Mariners play the second half of the 1999 season at Safeco Field; these are the expenditure reductions under that scenario.

Event Staff Reduction - (\$974,573) Following the Logan/Knox Temporary Help agreement and given the baseball half season assumption above, the event-staff costs are reduced.

Baseball Advertising Payment - (\$900,000). The 1999 advertising payment to the Mariners is planned to be made from 1998 carryover budget authority. Therefore, no new budget authority will be required.

Teamster Medical Benefits - (\$276,201). The implementation of the Logan/Knox agreement negated a previous Teamster benefit agreement. Qualifying employees now receive County benefits.

Other Reductions - (\$121,960/0.50 FTE).

Significant Program Additions

Logan/Knox Settlement - \$148,360. This add represents additional Term-Limited Positions (TLPs) not offset by "extra-help" reductions.

Event Staff Shuttle Program - \$14,080. This add represents the cost of providing off-site parking shuttle for event staff, due to the closure of the south parking during the Exhibition Hall/Parking Garage construction.

Olympic Bid Support - \$75,000. This add represents King County's support for Seattle's bid for the 2012 Summer Olympics.

Technical Adjustments

The Proposed Stadium budget reduces event revenue and expenditures based on the operating assumptions described in the Program Highlights section above. Event staff salaries, benefits, overtime, shift differential and term-limited positions are adjusted to reflect the 1999 event schedule, within the guidelines established by the Logan/Knox settlement. The Logan/Knox agreement resulted in the addition of 52 term-limited positions in the Stadium 1999 Budget. Due to the Logan/Knox settlement, the reduced 1999 event schedule and the Mariners move, the truly-temporary (formerly referred to as extra-help) budget is approximately one half the level of the 1998 budget.

Transfer to CX - \$1,000,000. Transferring projected Stadium 1999 fund balance to CX.

Salary/Benefit and Loan-out Labor Adjustments - \$432,367/(1.0 FTE). Technical adjustments increasing the loan out labor and decreasing the FTE count.

PHYSICAL ENVIRONMENT PROGRAM AREA

COLA/Merit, Shift Diff., Unemployment Comp. - \$232,445. The annual unemployment budget has been doubled due to the staff reductions anticipated with the impending closure of the Kingdome and the reduction in staff requirements in the second half of 1999.

Utility Adjustments - \$47,736

Miscellaneous Technical Reductions - (\$103,774). Contingent events and Mariners' rent adjustments.

Central Rate Adjustments - (\$149,655). Changes to the various central overhead rates.

OTHER SIGNIFICANT CHANGES

Logan Knox Compliance:

Stadium Operations - 52.0 TLP: In order to attain compliance with the criteria established in the Logan/Knox extra help settlement, the Stadium has converted extra help expenditures into 52.0 term-limited positions. The remaining 1999 extra help budget is the Stadium's best estimate of the truly temporary event staff necessary to compliment the permanent event staff and newly added TLPs in order to accomplish the facility change-overs and cleanings per the 1999 proposed event schedule.

COUNCIL ADOPTED BUDGET

\$75,000, for Olympic Bid support, was taken out of the Stadium budget.

An additional \$291,000 was budgeted to be transferred from Stadium fund balance to the Current Expense fund.

It was agreed that the Stadium would attempt to underspend the Adopted Budget by an additional \$200,000, in 1999. The funds were left in the Stadium budget with the specific underexpenditures enumerated in a proviso (see Appendix pages for proviso).

TRANSPORTATION

ISSUES AND PRIORITIES

Mission

Transportation

To provide the best possible public transportation services that improve the quality of life for our whole community.

The King County Department of Transportation's (DOT) 1999 Proposed budget responds to challenges for the region related to growth and the overall quality of life. DOT's initiatives and programs support the Executive's priorities to protect and improve the environment, provide transportation connections for people and jobs, and support economic development throughout the community. The 1999 Proposed Budget for the Department of Transportation focuses on the following themes:

- **Smart Growth** – support King County's efforts to achieve mobility, housing affordability, and environmental protection goals while sustaining economic growth;
- **Regional Integration and Partnerships** – work with others to provide better services, use resources more efficiently, and respond to community plans;
- **Customer Service** -- maintain service quality including our ability to respond during and after emergency events;
- **Safety and Security** – improve safety and security for employees and for the public on our roadways and the public transportation system;
- **Financial Stability** – provide stable long-term funding for transit and roads programs; and
- **Efficiency** -- improve the efficiency and effectiveness of service provision to the public and internal organization.

The Transit Division continues to implement bus, vanpool, and special transit services for elderly and/or disabled riders. The 1999 service plan includes the annualization of 1998 service additions, implementation of the final service hours included in the Transit Six-Year Plan, and the addition of approximately 22,000 hours for Congestion Mitigation and Air Quality (CMAQ) and partnership funded shuttles in 1999. Transit will continue to work in 1999 with Sound Transit to integrate and prepare for implementation of rail and bus services in 1999 and beyond. Transit's 1999 budget proposal also supports the Executive's Smart Growth Initiative through continued implementation of the Commute Trip Reduction Act, the Transit First Initiative, and capital support for Transit Oriented Development.

The Department of Transportation's Administration Division has reorganized into the Community and Administrative Services Division and will enhance its focus in 1999 on providing leadership, advocacy, and support for the department, its customers, and the community. The Division is also proposing to research creative ways to expand the Transit Oriented Development program and evaluate its success.

The Transportation Planning Division continues to work with communities to develop solutions to regional mobility problems that also encourage economic development, protect the environment, and enhance the quality of life in our region.

The Road Services Division will continue to be a leader, partner, and provider of regional and local transportation services; to have a significant role in regional transportation policy; to work with other agencies toward preserving the environment in King County; and to be an organization our employees are proud to work for. Roads is committing significant resources to the Executive's Smart Growth Initiative through ESA/SAO mitigation and traffic mobility proposals. (For the purposes of this section, the Road Services Division includes the Vactor Waste/Stormwater Decant Program.) Consistent

PHYSICAL ENVIRONMENT PROGRAM AREA

with the Department of Transportation's mission, Fleet Administration will provide quality and responsive vehicle services, parts, road materials and supplies at competitive cost to customers while providing a safe and wholesome work environment and opportunity for all employees. The Fleet Administration Division encompasses Motor Pool, Public Works ER&R, Transit non-revenue vehicles and the Wastewater Treatment vehicles.

Expense Summary for the Department of Transportation	\$	FTEs*
1998 Adopted		
Transportation Administration	2,114,242	20.65
Transit	305,843,415	3,424.98
Transportation Planning	4,180,624	56.30
Roads	54,392,447	550.50
Motor Pool	12,574,721	30.00
Equipment Repair & Replacement (ER&R)	13,354,329	43.50
Park Equipment Replacement	421,100	0.00
Total 1998 Adopted Budget	392,880,878	4,125.93
Base Increment**		
Transportation Administration	116,534	0.00
Transit	18,224,678	116.33
Transportation Planning	186,754	1.00
Roads	(1,622,337)	36.50
Motor Pool	(3,261,458)	
Equipment Repair & Replacement (ER&R)	(5,153,011)	
Park Equipment Replacement	(83,519)	0.00
Total Base Increment	8,407,641	153.83
Adjusted Base (98 Adopted + Base Incr.)		
Transportation Administration	2,230,776	20.65
Transit	324,068,093	3,541.31
Transportation Planning	4,367,378	57.30
Roads	52,770,110	587.00
Motor Pool	9,313,263	30.00
Equipment Repair & Replacement (ER&R)	8,201,318	43.50
Park Equipment Replacement	337,581	0.00
Total Adjusted Base	401,288,519	4,279.76
Community and Administrative Services Division		
Significant Program Additions		
Smart Growth Research Analyst	110,448	1.00
Intergovernmental Services	100,000	
Technical Adjustments***		
Central Rates	70,245	
Staff transfers from Transit and Roads	563,342	11.00
Other Technical Adjustments	335,932	1.00
<i>Subtotal of incremental changes to the Base Budget</i>	<i>1,179,967</i>	<i>13.00</i>
Total Proposed Community & Administrative Services	3,410,743	33.65

PHYSICAL ENVIRONMENT PROGRAM AREA

Transit Division		
Significant Program Reductions		
-- Efficiencies --		
New Fleet Savings	(617,229)	(11.17)
Significant Program Additions		
-- Smart Growth Initiatives --		
New Planned Bus, Special Event, Paratransit, and Vanpool Services	3,464,286	24.57
Comprehensive Plan Support	69,584	1.00
Operating Enhancement Advertising	500,000	
-- Regional Integration and Partnerships --		
Endangered Species Act Public Outreach	83,000	
Partnerships with Sound Transit and Seattle	614,697	4.76
-- Customer Service Initiatives --		
Paratransit Eligibility Review	521,667	2.20
Service and Customer Support	538,663	5.00
Training, Staffing, and Hiring Support	905,309	8.40
Database, Network, and Passenger Counter System Support	361,856	4.50
Contingency Fleet Maintenance	29,067	0.58
-- Safety and Security --		
Police Dispatch and Security Adjustment	478,833	
Technical Adjustments***		
New Revenues	251,276	2.00
Central Rates	(1,739,614)	
Intergovernmental Services	(90,218)	
Technical Staffing Adjustments	(568,458)	(6.65)
Grant and Partnership Adjustments	153,919	
King Street Center Move Adjustments	2,248,098	
Other Technical Adjustments	(2,214,868)	(1.52)
Subtotal of changes to the Base Budget	4,989,868	33.67
Total Proposed Transit Division	329,057,961	3,574.98
Transportation Planning Division		
Significant Program Reductions		
Position conversions	(56,931)	(1.00)
Significant Program Additions		
Commuter and Leased Lot Programs	649,322	
Comprehensive Plan Update	50,000	
Technical Adjustments***		
Central Rates	71,551	
Other Technical Adjustments	337,712	
Subtotal of changes to the Base Budget	1,051,654	(1.00)
Total Proposed Transportation Planning	5,419,032	56.30

PHYSICAL ENVIRONMENT PROGRAM AREA

Roads Services Division		
Significant Program Reductions		
-- Savings and Efficiencies --		
Program and Personnel Savings	(818,088)	(15.00)
Significant Program Additions		
-- Smart Growth Initiatives --		
Endangered Species Act (ESA)	1,533,735	15.00
Additional Engineers and Architects to Support CIP Workload	126,395	7.00
Regional Stormwater Decant Program	376,405	2.50
Pitsite Environmental Permits Compliance	317,865	
-- Regional Integration and Partnerships --		
King Street Center DOT Office Relocation	1,537,756	
Services for Contract Cities and Agencies	236,270	2.00
-- Customer Service Initiatives --		
Customer Service Comprehensive Plan	30,000	
-- Safety and Security --		
Sidewalk and Guardrail Maintenance	283,376	2.00
Neighborhood Traffic Safety Program (NTSP) and School Pathway Program		
Public Outreach	4,500	1.00
-- Efficiencies --		
Efficiency Tools, Services and Equipment	929,354	
Technical Adjustments		
Administrative and Overhead Costs	609	(2.00)
Personnel Classification and Contingency Changes	25,491	4.00
Intergovernmental Services Adjustments to Base	170,575	
Central Rates (CX Overhead, ITS, Flex Benefits, Debt Service, and Finance)	346,415	
Subtotal of changes to the Base Budget	5,100,658	16.50
Total Proposed Roads Services	57,870,768	603.50
Motor Pool Division		
Significant Program Additions		
King Street Center DOT Office Relocation	50,206	
Vehicle Replacement and Maintenance	1,733,745	
Technical Adjustments		
Central Rate Adjustments	(2,409)	
Subtotal of changes to the Base Budget	1,781,542	-
Total Proposed Motor Pool Services	11,094,805	30.00
Equipment Repair & Replacement (ER&R)		
Significant Program Reductions		
Equipment Replacement and Maintenance	(878,557)	
Significant Program Additions		
King Street Center DOT Office Relocation	50,206	
Technical Adjustments		
Central Rate and Overhead Adjustments	(10,485)	
Subtotal of changes to the Base Budget	(838,836)	-
Total Proposed Equipment Repair & Replacement	7,362,482	43.50

PHYSICAL ENVIRONMENT PROGRAM AREA

Parks Equipment Replacement		
Technical Adjustments		
Central Rate and Capital Outlay Adjustments	162,268	
<i>Subtotal of changes to the Base Budget</i>	<i>162,268</i>	
Total Proposed Parks Equipment Replacement	499,849	
1999 Executive Proposed	414,715,640	4,341.93

* FTEs do not include extra help, overtime nor term limited positions.

** This includes revised 1998 adopted, initial status quo, and proposed status quo increments.
Under FTEs, annualization is included.

*** This includes salary and benefit adjustments, volume increases, inflation, central rates adjustments, and annualization of 1998 supplementals.

PROGRAM HIGHLIGHTS

Community and Administrative Services Division (CAS)

This Division was formerly the Transportation Administration Division. A small re-organization is proposed in 1999 so that the Division's work program and resources are consistent. The total 1999 Executive Proposed Budget for Community and Administrative Services is \$3,410,743 and 33.65 FTEs. Significant changes to the division's budget are outlined below.

Transit Division

The total 1999 Executive Proposed Budget for the Transit Division is \$329,057,961 and 3,574.98 FTEs. Significant changes to the division's budget are outlined below.

Transportation Planning Division

The total 1999 Executive Proposed Budget for the Transportation Planning Division is \$5,419,032 and 56.30 FTEs. Significant changes to the division's budget are outlined below.

Road Services Division

In 1999, Roads Services proposes to meet the challenge of responding to the Endangered Species Act by implementing the recently completed Best Management Practices, or BMPs, for maintaining roads. Implementing the BMPs on a county-wide basis will result in improved water quality and habitat in all streams and wetlands in the County. Roads Maintenance staff have completed extensive research in BMPs. This research has resulted in new methods and technologies which will minimize erosion and sedimentation, as well as provide for enhanced streambed and riparian habitat. Implementing the BMPs on a countywide basis would result in immediate habitat improvements, which would in turn improve chances for survival of the threatened and endangered species.

In addition to responding to the ESA, there are a number of environmental regulations and permits which require implementation of BMPs. The National Pollutant Discharge Elimination System (NPDES) municipal permit, by which all King County roadway maintenance activities are regulated by the Washington State Department of Ecology (DOE), requires that all known and reasonable means of minimizing adverse impacts to water quality be used. The permit specifically requires using BMPs. Violations of NPDES permits are subject not only to fines by the DOE but also, and probably more significantly, to third party lawsuits.

Under the proposed revised Sensitive Areas Ordinance (SAO), the Road Services Maintenance Section will be required to obtain grading permits from the Department of Development and Environmental Services (DDES) for routine maintenance activities which occur in sensitive areas or their buffers. Up

PHYSICAL ENVIRONMENT PROGRAM AREA

to one third of all roadway maintenance work in unincorporated King County will be impacted by this new policy. One of the DDES permit requirements will be implementation of BMPs.

The total 1999 Executive Proposed Budget for the Road Services Division is \$57,268,216 and 603.5 FTEs. Significant changes to the division's budget are outlined below.

Fleet Administration

In 1998 two additional internal service funds have been proposed: the Transit Non-Revenue Equipment Repair & Revolving fund and the Wastewater Treatment Equipment Repair & Revolving fund. The Parks Equipment Replacement Fund (PERF) is proposed for consolidation with the Motor Pool ER&R fund in 1998. For purposes of the 1999 budget, these funds are all combined under the Motor Pool ER&R fund, pending approval of the fleet consolidation package.

The combined 1999 Motor Pool, Parks, Transit NRV, and Wastewater operating, maintenance and capital replacement expenditure budget is \$11,094,805. The capital replacement expenditure of \$5,929,573 represents 53.4% of the total budget. Maintenance and operating expenditures represent the remaining \$5,165,232 or 46.6% of the total Motor Pool ER&R budget.

Significant Program Reductions

Transit

New Fleet Savings (\$617,229/11.17 FTE). New vehicles in the Transit fleet are less costly to maintain. Savings are partially offset by increases necessary for body and paint work. Savings include a reduction of 11.17 FTEs.

Transportation Planning

Transportation Planning Position Conversions (\$56,931/1.00 FTE). This change cuts one position which was adopted in 1998 for funding through Sound Transit. Sound Transit has negotiated to support implementation costs to King County but not planning costs. While funding from Sound Transit has not been secured for this position, two other planning positions related to Sound Transit are proposed to be funded through Public Transportation Funds.

Road Services Division

Program and Personnel Savings (\$818,088/15.0 FTE). The Roads Services Division is saving (\$287,971) in 1999 due to more efficient operations in engineering services operating and maintenance, and from traffic best management practices (BMPs). Roads is also saving (\$530,117) through their contracts with other cities and agencies in their loan-out labor customer service program, and through maintenance contract revisions. A portion of the savings is from eliminating (4.0) FTEs through efficiency measures. In addition, Roads is converting FTEs and TLPs currently committed to the Water and Land Resources Division (WLRD) River and Mowing program into Loan-out labor positions, for a net change of \$0 and (11.0) FTEs.

Fleet Administration

Motor Pool Fund:

No reductions.

Public Works ER&R Fund

Equipment Replacement and Maintenance (\$878,557). This reduction is a savings of (\$1,123,875) in equipment replacement expenditures due to a decrease in the annual number of vehicles needing to be replaced in 1999. The offsetting increase of \$245,318 is to cover inflationary increases in maintenance services and supplies and the expansion of an additional 33 pieces of road equipment and vehi-

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Significant Program Additions

Community & Administrative Services

Smart Growth Research - \$110,448/1.00 FTE: The analytical position will enhance the department's efforts to provide customer research and evaluation for all divisions and several initiatives including the Executive's Smart Growth initiative, the Growth Management Act, and Transit Oriented Development.

Intergovernmental Services \$100,000: This package includes funding for Community & Administrative Services to contribute to and participate in the Executive's Total Quality Management program and to purchase Audio Visual services from the Department of Information and Administrative Services.

Transit Division

Smart Growth: New Services \$3,464,286/24.57 FTE. The Transit service plan includes the addition of approximately 22,000 hours of CMAQ and partnership funded shuttle service. Paratransit service is scheduled to increase according to the projected increase in demand for 1999. Both direct vanpool services and operating and maintenance costs for this program are planned to increase in 1999 due to growth in demand for service.

Comprehensive Plan Support \$69,584/1.00 FTE. This package funds one term-limited position to represent Transit and participate in the Comprehensive Plan update effort.

Operating Enhancement Advertising \$500,000. This add represents funding for advertising to promote Transit ridership, combat congestion, and enhance mobility in the region.

Regional Integration and Partnerships - Endangered Species Act Public Outreach \$83,000. This addition funds education and outreach to the community on issues related to the Endangered Species Act and is Transit's contribution to the county-wide public outreach effort.

Partnerships with Sound Transit and City of Seattle \$614,697/4.76 FTE. Sound Transit services are currently being planned and this add devotes resources to integrating those services with Metro Transit's services and developing contractual agreements with Sound Transit. It also funds operating costs associated with the procurement of revenue vehicles for Sound Transit and joint work with the City of Seattle on relocation and improvement of bus zones and shelters.

Customer Service Initiatives - Paratransit Eligibility Review \$521,667/2.20 FTE. This proposal revises the registration and eligibility process and increases staff to manage the more rigorous process. These changes are estimated to reduce the rate of growth in demand for this service.

Service and Customer Support \$538,663/5.00 FTE. This package funds an increase in support staff to accommodate the increases in operators and mechanics which have accompanied recent growth in the level of service. It includes funding for a base chief, additional pass sales support, increased printing and production costs for timetables and fare media, additional customer services support, a power distribution chief, and a radio equipment specialist.

Training, Staffing, and Hiring Support \$905,309/8.40 FTE. Current service plans identify the need for 400-600 new part-time operators. This staffing requirement in combination with promotions and

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retirements will result in a significant training and hiring effort in 1999. This package provides funding for training, instruction, and recruitment.

Database, Network, and Passenger Counter System Support \$361,856/4.50 FTE. This package provides funding to support the replacement or upgrading of client server applications as well as desktop and server support and maintenance. It also provides funding for maintenance of the automated passenger counter system which is aging but still provides critical data to inform decisions about service and to meet federal reporting requirements.

Contingency Fleet Maintenance \$29,067/.58 FTE. Continued growth in special event service has resulted in the need to retain an active contingency fleet. This add funds maintenance of that fleet while not in service.

Safety and Security - Police Dispatch and Security Adjustment \$478,833. This proposal moves dispatching of police services from Transit dispatchers to the King County Sheriff's Office (KCSO). It also increases the level of Transit security services which Transit purchases from KCSO. These budget changes are part of a combined effort between Transit and KCSO to develop and implement a new model for providing policing services to the Transit system.

Transportation Planning

Commuter and Leased Lot Programs \$649,322. This package includes resources and matching funds for grants to the Leased Lot program which increases park-and-ride capacity throughout the county. It also includes a small funding adjustment to the Commuter Challenge program and funding for the Commuter Parking program which is a two-year demonstration grant to create partnerships between the Department of Transportation, Transit customers, and retailers throughout the county.

Comprehensive Plan Update \$50,000

This add provides funding for development of the transportation portion of the Environmental Impact Statement to accompany the county's Comprehensive Plan Update.

Road Services Division

Smart Growth Initiatives - Endangered Species Act (ESA) \$1,533,735/15.0 FTE. The Road Services Division is responding to the Executive's desire for King County to take measures to protect the endangered Chinook Salmon and to comply with the new Sensitive Areas Ordinance (SAO). The \$1.53 million is broken into three categories: 1)Early Implementation Programs \$1,398,136; 2)Habitat Conservation Planning \$52,099; and 3)Public Outreach \$83,500. The ESA and SAO will have significant impacts on Roads' daily operations in order to eliminate adverse impacts of road maintenance activities, to improve water quality and salmonid habitat, and to obtain the proper grading permits from the Department of Development and Environmental Services (DDES). Roads has requested 15.0 new FTEs as part of the \$1.53 million to help comply with ESA and SAO.

Additional Engineers and Architects to Support CIP Workload \$126,395/7.0 FTE. Roads is adding 7.0 FTEs to accommodate the escalating number of capital improvement projects and the increasing body of work that the County Roads Services Division is doing for contract cities. Portions of the FTEs costs are covered by Roads' loan-out labor program, and will be paid by the contract cities. The new FTEs are as follows: 1)Landscape Architect Tech Support \$4,710; 2)Regional Traffic Corridor Analysis - Traffic Engineer \$20,599; 3)Additional Development Review Support to DDES - Traffic Engineer \$4,500; 4)Channelization and Signing Engineer \$9,866; 5)Construction

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Services Supervising Engineer \$12,731; 6)Traffic Control Coordination Engineer \$18,802; and 7)Traffic Engineering Section Program Analyst \$55,187.

Regional Stormwater Decant Program \$376,405/2.5 FTE. The Regional Stormwater Decant facility in Renton opened for public use in July 1998. The 1999 request is based on a full year's operation. The 2.5 new FTEs are engineers and an equipment operator for the Renton facility. The decant program is available for use by other public agencies and the private sector, and is intended to be self-supporting with all users sharing in the cost of the program

Pitsite Environmental Permits Compliance \$317,865. Work to bring the County's operations/maintenance facilities (known as "pitsites") into compliance with environmental regulations will cost \$317,865 in 1999. This work was begun in 1993, yet much of the work that should have been done during 1995-1997 was delayed due to reassignment of crews to emergency flood response and restoration projects. Therefore, Roads has asked for funding in 1999 to continue the clean-up and will continue this work through 2003.

Regional Integration and Partnerships- King Street Center DOT Office Relocation \$1,537,756. All divisions within the Department of Transportation are consolidating into the King Street Center to facilitate a more efficient and cohesive work environment. The Road Services Division's portion of the total King Street moving and lease costs were provided by DOT, and include the purchase of equipment, furnishings and moving services in addition to leasing costs.

Services for Contract Cities and Agencies \$236,270/2.0 FTE. The County Road Services Division needs more resources to continue services to contract cities and other agencies in 1999. Roads will be providing the following new city services: Thermoplastic Pavement Markers \$84,894; a Traffic Investigation Engineer \$58,163/1.0 FTE; and Traffic Contract Revisions \$61,518. In addition, Roads has added an Electrical Inspector \$31,695/1.0 FTE to provide services to contract agencies and unincorporated King County for traffic operations and construction efforts.

Customer Service Initiatives- Customer Service Comprehensive Plan \$30,000. This request is to fund a consultant who will prepare marketing analysis, strategy, and tools for a comprehensive plan that will help identify and implement the services Roads provides.

Safety and Security - Sidewalk and Guardrail Maintenance \$283,376/2.0 FTE. These dollars are required to meet new regulations governing installation of terminal ends for guardrails. Roads' workload in the damaged guardrail replacement program will increase due to these regulations, and they have requested \$283,376/1.0 FTE to meet this need. In addition, Roads has requested 1.0 FTE as loan-out labor to the Roads CIP to help address the backlog of sidewalk, curb and gutter repair work.

Neighborhood Traffic Safety Program (NTSP) and School Pathway Program Public Outreach \$4,500/1.0 FTE. These funds will cover an additional 1.0 FTE that will prepare and maintain maps and database programs, including project tracking through construction and inspection. This person will also prepare NTSP and School Pathway Program exhibits for neighborhoods, school districts, and PTA meetings.

Efficiency Tools, Services and Equipment \$929,354. The Road Services Division is implementing new programs and obtaining equipment in order to maintain better records and become more efficient. These new additions are as follows: Information Technology Replacement Plan \$227,000; Electronic Data Storage (EDS) Program \$50,000; Records Center Archival Microfilm Backlog

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\$50,000, Map and Information Counter Restoration of Historical Maps \$75,000; Capital Outlay Replacement Plan \$271,562; and Photography Services & Photo Processing Equipment \$255,792.

Fleet Administration

Motor Pool Fund: Vehicle Replacement and Maintenance \$1,733,745. This addition stems from an increase of \$1,670,267 in vehicle replacement expenditures due to an increase in the annual number of vehicles needing to be replaced in 1999. The additional increase of \$63,478 covers the operating and maintenance costs from inflation and expansion of the Motor Pool fleet.

King Street Center DOT Office Relocation \$50,206. All divisions within the Department of Transportation are consolidating into the King Street Center to facilitate a more efficient and cohesive work environment. Motor Pool's portion of the total King Street moving and lease costs were provided by DOT, and include the purchase of equipment, furnishings and moving services.

Public Works ER&R Fund: King Street Center DOT Office Relocation \$50,206. All divisions within the Department of Transportation are consolidating into the King Street Center to facilitate a more efficient and cohesive work environment. Public Works ER&R's portion of the total King Street moving and lease costs were provided by DOT, and include the purchase of equipment, furnishings and moving services.

Technical Adjustments

Community & Administrative Services

Central Rates \$70,245. These adjustments include rate changes and corrections for the following central charges: flex benefits, current expense overhead, information services, telecommunications, motor pool, radio rates, building modernization, and finance.

Staff Transfers from Transit and Roads \$563,342/11.00 FTE. This adjustments reflects the transfer of 11.0 FTEs from Transit and Roads to the Community and Administrative Services Division.

Other Technical Adjustments \$335,932/1.00 FTE. These adjustments include corrections to the base budget and contingencies as well as the costs associated with the move to King Street Center.

Transit Division

New Revenues \$251,276/2.00 FTE. This proposal expands sales efforts and increases the sales force to sell all Transit products to non-Commute Trip Reduction (CTR) affected employers. It also includes reorganization of the CTR group and an increase to Business and Occupation taxes due to increased revenues.

Central Rates (\$1,739,614). These adjustments include rate changes and corrections for the following central charges: flex benefits, current expense overhead, information services, telecommunications, insurance, Prosecuting Attorney's Office, building modernization, and finance.

Intergovernmental Services (\$90,218). This adjustment represents an increase in central information services support for six new application servers, a net reduction in the budget for Fleet Administration charges, and funding for a labor negotiator in the Office of Human Resources Management.

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Technical Staffing Adjustments (\$568,458)/(6.65) FTE. These adjustments include an increase in capital project staffing and the transfer of 9.0 FTEs to the Community and Administrative Services Division.

Grant and Partnership Adjustments \$153,919. These adjustments include resources to support grant-funded activities for 1999 and adjustments to the set-aside for partnership service.

King Street Center Move Adjustments \$2,248,098. This package includes funding for one-time, lease, and ongoing operating costs associated with the move to King Street Center. Funds are also included to provide outside support for the relocation of computer equipment to ensure stability and a smooth transition of operating systems.

Other Technical Adjustments (\$2,214,868/1.52 FTE). These technical adjustments include corrections to the base budget, calculation of loan out to the capital program at the 1999 salary level, staffing adjustments between capital and operating projects, and other technical changes.

Transportation Planning

Central Rates \$71,551. These adjustments include rate changes and corrections for the following central charges: flex benefits, current expense overhead, information services, telecommunications, building modernization, and finance.

Other Technical Adjustments \$337,712. These technical adjustments include corrections to the base budget, costs associated with the move to King Street Center, adjustments to Transit capital charges, and an increase in the Community and Administrative Services allocation.

Road Services Division

Administrative and Overhead Costs \$609/(2.0) FTE. This cost is the combination of a reduction of (\$531,900) in Administrative Overhead within the Road Services Division that is covered through their loan-out labor program, and increases of \$195,613 for the Community and Administrative Services Division cost allocation, \$326,540 for the Transportation Planning cost allocation, and \$10,356 for the Property Services Lease Administration cost recovery. In addition, two positions are being transferred out of the Community and Administrative Services Division to the Director's office. A large portion of the increase in both DOT Administration and Transportation Planning cost allocations are to help cover their costs for moving into the King Street Center.

Personnel Classification and Contingency Changes \$25,491/4.0 FTEs. This amount is a combination of a decrease in the division's salary and wage contingency of (\$239,624) and an allocation to cover the Logan Knox settlement debt service of \$265,115. In addition, Road Services is converting two Design Engineering Assistants from term-limited to full-time positions and two contract employees to full time positions. These conversions are in response to the increasing body of work in these two areas, and follow the guidelines in the Logan Knox ordinance.

Intergovernmental Services Adjustments to Base \$170,575. Roads is contributing \$25,000 to the Environmental Impact Study (EIS) for the Comp. Plan 2000 Update. In addition, Roads was charged with a \$20,000 Rental Housing Asset Management Fee to cover asset management services provide by the Property Services Division. The final adjustment is a \$125,575 increase in the Surface Water Utility Debt Service Requirement for the division.

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Central Rate Adjustments \$346,415. The budgets of each agency were adjusted to incorporate changes in central rates, including flex benefits, debt service, insurance charges, finance rates, CX overhead and others.

Fleet Administration

Motor Pool Fund: Central Rate Adjustments (\$2,409). The budgets of each agency were adjusted to incorporate changes in central rates, including flex benefits, debt service, telecommunications services, CX overhead and others.

Public Works ER&R Fund: Central Rate and Overhead Adjustments (\$10,485). The budgets of each agency were adjusted to incorporate changes in central rates, including flex benefits, debt service, telecommunications services, CX overhead and others. Public Works ER&R also had a savings of (\$8,403) in Transportation Administration overhead.

Central Rate and Capital Outlay Adjustments \$162,268. These adjustments include changes to the Current Expense Overhead rate and finance charges to PERF as well as an adjustment to reflect the planned equipment expenditures for 1999.

OTHER SIGNIFICANT CHANGES

Logan Knox Compliance

In its 1999 budget, the **Transit Division** included positions which had been converted to full-time as part of the Logan-Knox lawsuit. Term-limited positions which were created at that time and which continued into 1999, as well as ones which are newly proposed for 1999 have also been included in the budget. The 1999 budget complies with county policy with respect to the use of temporary employees.

In its 1999 budget, the **Transportation Planning Division** included one position which had been converted to full-time as part of the Logan-Knox lawsuit. Four term-limited positions which are newly proposed for 1999 have also been included in the budget. The 1999 budget complies with county policy with respect to the use of temporary employees.

In 1999, the **Road Services Division** annualized 25 of the 43 term limited positions adopted by the 1998 Knox Logan mid-year supplemental. Sixteen of the positions that have been assigned to perform loaned-out river improvement and Surface Water Utility maintenance work for the Water and Land Resources Division (WLRD) are eliminated in 1999 due to financial constraints at WLRD. Other 1999 TLP adjustments include: 1) Two new TLPs added to support the ESA/SAO and SWM Drainage Manual impacts on the Roads CIP; 2) 1.5 TLPs added to employ a second seasonal thermoplastic pavement markings crew; and 3) Two TLP Engineering Techs that support Roads CIP Design and Project Management are converted to FTEs beginning in 1999.

The **Fleet Administration** Division has done a complete body of work assessment per the Logan Knox ordinance, and has converted five truly-temporary positions to term-limited positions. Three of the five positions are either vehicle maintenance or stores clerk positions necessary to accommodate the increased stores activities resulting from fleet expansions and consolidation of Parks, Wastewater and Transit NRV. The other two positions are clerical positions attributable to implementation of the new fleet management system. All five positions are part-time for one year, and will receive the salary and benefits commensurate with their position and with their term-limited status.

Parks Equipment Replacement Fund (PERF): The Parks Equipment Replacement Fund (PERF) was proposed for consolidation with the Motor Pool ER&R fund in late 1998. In anticipation of approval of this legislation, the Motor Pool budget includes PERF.

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COUNCIL ADOPTED BUDGET

Community and Administrative Services Division (CAS)

The Council did not fund the following items which were included in the Executive Proposed CAS budget:

<i>Audio/Visual DIAS Contribution</i>	<i>\$50,000</i>
<i>Smart Growth Research Analyst</i>	<i>\$110,448</i>
<i>Department Contingency</i>	<i>\$50,000</i>
<i>Transportation Coordinator</i>	<i>\$110,158</i>

In addition, the Council made several miscellaneous reductions to operating accounts that totaled (\$27,000).

Transit Division

The Council provided additional funding in the Transit budget for Transit Map Printing (\$18,000), the Elliott Bay Water Taxi (\$250,000), and New Transit Service (\$215,802).

The Council did not fund the following items which were included in the Executive Proposed Transit budget:

<i>Comprehensive Plan Support</i>	<i>\$69,584</i>
<i>Operating Enhancement Advertising</i>	<i>\$500,000</i>
<i>Endangered Species Act Outreach</i>	<i>\$83,000</i>

Transportation Planning Division

Council made one minor technical adjustment of (\$1,422) to the Transportation Planning contribution to the Community and Administrative Services Division.

Road Services Division

Stormwater Decant Program Technical Adjustment (\$154). The Council made a small adjustment to correct the financial plan.

Road Services Best Management Practices (BMP) Decreases (\$644,068/7.5 FTEs). Because the revisions to the Sensitive Areas Ordinance (SAO) are not yet enacted, the Council decided not to fund all the BMPs that are necessary for the Road Services Division to comply with SAO regulations. This resulted in a cut to the Executive Proposed budget of \$325,891 in salaries and benefits for 7.5 FTEs and \$318,177 in program cuts.

Road Services FTE Decreases (\$82,494/4.0 FTEs). The Council expressed general concern about adding FTEs to a division with diminishing revenues. Therefore, they declined position requests that were restorations of cuts made by the Road Services Division in previous budgets.

Road Services Technical Adjustments (\$5729). The Council made two technical adjustments to the Road Services Division budget, including a \$127,430 decrease in Roads' contribution to the Department of Community and Administrative Services and a \$121,701 increase in Insurance Charges.

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Neighborhood Traffic Police Officers Addition \$419,175/5.0 FTEs. The Council increased the Neighborhood Traffic Policing program by adding a chief and four traffic officers. The Road Services Division will fund these positions, and the FTEs will be added in the Sheriff's Office. These officers are strictly limited to the unincorporated area of King County and will be used solely for traffic policing and DUI patrol.

Road Services Construction Transfer Increase \$617,630. As a result of other cuts that the Council made to the Road Services Division operating budget, the Council was able to increase the amount that will be spent in 1999 on Roads capital projects by increasing the construction transfer from the operating to the capital budget.

Fleet Administration

Motor Pool Fund:

Council made no changes to the 1999 Executive Proposed Budget.

Public Works ER&R Fund:

Council made no changes to the 1999 Executive Proposed Budget.

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	1997 Adopted		1998 Adopted		1999 Adopted	
	Expenditures	FTEs	Expenditures	FTEs	Expenditures	FTEs
Development and Environmental Services						
DEVELOPMENT AND ENVIRONMENTAL SERVICES	22,219,772	247.00	27,763,488	309.00	30,790,618	336.00
	22,219,772	247.00	27,763,488	309.00	30,790,618	336.00
Natural Resources						
AGRICULTURE & OPEN SPACE	1,473,771	16.00	1,540,786	20.00	2,877,607	32.00
OPEN SPACE	1,125,777	12	1,227,951	12.00	-	-
NOXIOUS WEED PROGRAM	0	0	0	0	512,979	2.50
INTERCOUNTY RIVER IMPROVEMENT	164,769	0	487,378	0	426,669	-
RIVER IMPROVEMENT	6,679,377	16.00	6,452,745	15.00	5,218,127	18.00
SOLID WASTE	53,672,904	375.04	59,836,276	384.68	63,056,296	386.17
SW MARKETING COMMISSION	1,365,030	9.00	1,263,272	9.00	1,325,706	9.00
ADMINISTRATION	2,271,847	21.50	2,863,725	23.00	4,009,815	27.10
WATER AND LAND RESOURCES	33,482,407	257.49	34,483,010	259.87	37,557,542	299.82
SW POST CLOSURE LANDFILL MAINTENANCE	1,167,495	0	1,485,771	0	1,785,162	0
WASTEWATER TREATMENT	71,906,928	547.90	70,090,802	564.60	81,273,512	573.78
WATER QUALITY CIP TRANSFER	0	0	18,051,000	0	12,560,000	0
	173,310,305	1,254.93	197,782,716	1,288.15	210,603,415	1,348.37
Parks and Recreation						
PARKS/CJ	398,913	3.00	406,837	3.00	406,827	3.00
PARKS	19,951,554	200.84	20,613,920	210.33	21,912,915	257.03
YOUTH SPORTS FACILITIES GRANT	491,558	0.50	662,908	1.00	690,937	1.00
	20,842,025	204.34	21,683,665	214.33	23,010,679	261.03
Stadium						
STADIUM MANAGEMENT	12,047,293	70.00	13,700,285	74.00	12,307,949	64.00
	12,047,293	70.00	13,700,285	74.00	12,307,949	64.00
Transportation						
ROAD SERVICES	49,315,455	535.00	53,515,472	550.50	56,641,908	592.00
STORMWATER DECANT PROGRAM	979,093	0	1,066,677	-	915,590	-
BRIDGE REPLACEMENT	-	0	935,000	0	-	0
MOTOR POOL EQUIP RENTAL	8,452,482	21.50	12,574,721	30.00	11,094,805	30.00
EQUIPMENT REPAIR & REPLACE.	6,932,724	41.00	13,354,329	43.50	7,362,482	43.50
PARKS EQUIP REPLACEMENT	404,031	0	421,100	0	499,849	0
TRANSIT	282,662,984	3,287.30	305,843,415	3,424.98	328,889,179	3,576.48
TRANSPORTATION ADMINISTRATION	1,429,307	16.15	2,058,817	20.65	3,063,137	31.65
TRANSPORTATION PLANNING	3,358,291	61.95	4,180,624	56.30	5,417,610	56.30
TRANSPORTATION CIP TRANSFER	-	-	2,854,000	-	5,298,693	0
TRANSIT REVENUE VEHICLE REPLACE.	-	-	12,261,847	0	24,046,627	0
	353,534,367	3,962.90	409,066,002	4,125.93	443,229,880	4,329.93
Total Physical Environment	581,953,762	5,739.17	669,996,156	6,011.41	719,942,541	6,339.33

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